

Continental Ins. Co.

HOSPITAL PROFESSIONAL LIABILITY MANUAL

**Issued by
INSURANCE SERVICES OFFICE
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Superseded

HOSPITAL PROFESSIONAL LIABILITY MANUAL

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GENERAL RULES

I. GENERAL INSTRUCTIONS

This manual contains the rules, classifications and rates governing the underwriting of Hospital Professional Liability Insurance. Use Standard Coverage Part—Hospital Professional Liability Insurance.

The rules, classifications and rates in this manual become effective as of the date indicated upon each page. When a change is made, a reprinted page containing the change and the effective date thereof will be distributed. The change will be specifically designated by a star (★) on the outer margin of the page.

Additional operations or units of exposure, coverage for which is provided on or after the effective date of any change in this manual shall be written on the basis of the rates and ★ rules in effect at the inception of the policy.

The following requirements must be observed in the preparation of policies for insurance covered by this manual:

- If the risk to be insured is described by one or more of the classifications in this manual appropriate wording identifying such classification or classifications shall be stated in the policy, followed by the proper code number provided the policy contains a declarations page.
- If the risk to be insured is not described by one or more of the classifications in this manual, such risk shall be definitely described in the policy followed by the code number of the manual classification to which the risk has been assigned provided the policy contains a declarations page.
- Any language in classification phraseology or footnotes which affects the scope of a classification applicable or assigned to operations to be insured, shall be incorporated in the policy provided the policy contains a declarations page.
- For each classification there shall be inserted the proper basis of premium calculation (either actual or adequately estimated as the case may be), and rate or premium; and in the space provided therefor, shall be inserted the minimum premium prescribed by this manual.

II. SCOPE OF COVERAGE. For details of coverage and exclusions refer to standard coverage part.

III. PERSONS INSURED. For persons insured refer to standard coverage part.

IV. DEFINITIONS

A. General Definitions

For general definitions refer to standard provisions jacket.

B. Additional Definitions

The following are additional definitions of terms used herein which are not included in the standard provisions jacket:

- ★ **For-Profit Hospital, Institution or Clinic** is one to which the definitions of "Not-for-Profit Hospital, Institution or Clinic" and "Governmental Hospital, Institution or Clinic" as stated below, do not apply.
- ★ **Governmental Hospital, Institution or Clinic** is one operated by the Federal Government, or a state, county, city or other governmental unit.
- ★ **Location** as used in this manual shall mean premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- ★ **Medical Incident** means any act or omission in the furnishing of professional health care services; in the furnishing of food, beverages, medications or appliances in connection with such services; and in the post mortem handling of human bodies. Any such act or omission, together with all related acts or omissions in the furnishing of such services to any one person shall be considered one medical incident.

5. **N.O.C.** This expression is an abbreviation of the words "not otherwise classified". No classification so qualified shall be applied in any case where any other manual classification more accurately describes the enterprise.

6. **Not-for-Profit Hospital, Institution or Clinic.** A non-for-profit hospital, institution or clinic, other than governmental, is one, no part of the net earnings of which may lawfully inure to the benefit of any private individual.

V. LIMITS OF LIABILITY

- Manual rates and minimum premiums provide for a basic limit of \$25,000 for all damages on account of each medical incident and, subject to the foregoing limit, a basic aggregate limit of \$75,000 for all damages. The foregoing limits apply separately to each location. ★
- Increased limits of liability may be provided by applying the appropriate factors for the limits stated in the following table. For limits not stated, submit for rating.

When liability limits are increased on an outstanding policy, the additional premium therefor shall be the actual difference in premium charges or \$2.00, whichever is greater. When liability limits are reduced on such a policy at the request of the insured, no refund of premium shall be made unless the difference in premium amounts to \$2.00 or more.

Increased Limits Table		
Limits (in thousands)		
per medical incident/	★	Factors
aggregate limit		
25/75		1.00
50/150		1.44
100/300		1.83

Convalescent or Nursing Homes—not mental psychopathic institutions.

Increased Limits Table		
Limits (in thousands)		
per medical incident/	★	Factors
aggregate limit		
25/75		1.00
50/150		1.17
100/300		1.31

C. **Deductible Liability Insurance.** Deductible liability insurance is a method of coverage under which the insured agrees to contribute up to a specified sum per medical incident towards the amount paid to claimants as damages. Risks to be written on this basis shall be submitted for rating. ★

Code No. 89990 applies for statistical purposes to all coverage written in accordance with this rule.

VI. POLICY PERIODS

★ Policies may be written for any period up to and including one year. ★

VII. BASIS OF PREMIUM

The basis of premium is the base used for determining the premium charge and is indicated under each manual classification. The bases of premium used and the units of exposure for such bases are defined respectively as follows:

- Outpatient Visits.** Outpatient visits shall mean the total number of visits made during the policy period by patients who do not receive bed and board service. The unit of exposure to which the rates are applied is each 100 outpatient visits.
- Per Bed.** The number of beds to which the "per bed" rate is to apply, shall be the daily average number of beds, cribs and bassinets used for patients during the period the policy is in force.

The daily average number of beds, cribs and bassinets shall be the sum of the daily number of beds, cribs and bassinets used for patients for each day of the period the policy is in force, divided by the number of days in such period.

GENERAL RULES

HOSPITAL PROFESSIONAL

VIII. RATES

- A. **Rates** will be found on the rate pages opposite the identifying code numbers of the classifications. In connection with classifications for which more than one basis of premium applies, it shall not be permissible to provide insurance for the coverage contemplated by one basis of premium charge and not for the others.
- B. **(a) Rated and unclassified risks.** Every risk described by a classification for which the symbol (a) appears in lieu of a specific rate or minimum premium, and every risk for which the manual contains no applicable classification shall be submitted for rating.
- C. **Rate calculations** for increased limits, additional interests, experience rating modifications and similar features shall be determined on an annual basis and shall be carried one decimal place beyond the number used in the basic rate. The figure in the last decimal place in the final rate shall be increased by one if the digit immediately following is 5 or more; if such digit is less than 5, it shall be disregarded.
- D. **Calculation of premium—one year policies.** The premium for a period of one year shall be determined by applying the final rate computed in the foregoing manner to the number of units of exposure developed during such period.
- E. **Calculation of premium—short term policies.** The premium on policies written for a period of less than one year shall be computed on a short rate basis in the same manner as the premium on policies written for a period of one year and cancelled by the insured, except for operations of a seasonal or temporary character or where short term coverage is written in order to secure a common policy date with other coverages or lines of insurance.
- F. **Whole dollar premium rule.** The premium for each exposure* shall be rounded to the nearest whole dollar; separately for each coverage provided by the policy.

A premium involving \$.50 or over shall be rounded to the next higher whole dollar.

This procedure shall apply to all interim premium adjustments, including endorsements, or cancellations at the request of the insured. In the case of cancellation by the company, the return premium may be carried to the next higher whole dollar.

***Note:** The phrase "each exposure" as used herein shall mean each exposure for which a separate premium is shown in the policy, endorsement, daily, or policy survey sheet or questionnaire.

IX. MINIMUM PREMIUMS

The following rules govern the application of minimum premiums:

- A. **Minimum premiums** are shown on the rate pages, and are the lowest amounts for which insurance coverage may be written for a period of one year. They apply per annum, per location.
- B. **Amounts to be charged on policies.** The actual premium computed at the rates specified in the policy or the minimum premium, whichever is greater, shall be charged.*

- C. **All minimum premiums** are subject to increase for
 - 1. increased limits.
 - 2. additional interests.
- D. **Extended Coverage.** Premium charges for coverage not within the scope of the basic policy coverage shall apply in addition to the minimum premiums.
- E. **Combination policies.** If Hospital Professional Liability insurance is written in a policy affording other insurance, the minimum premiums provided in this manual shall apply in the same manner as if Hospital Professional Liability insurance were written in a separate policy.

X. CANCELLATIONS

- A. **By the Insuring Company.** The earned premium shall be determined on a pro rata basis by multiplying the number of units of exposure for the period the policy was in force by the applicable rates, but shall be not less than the pro rata amount of the minimum premium.

B. By the Insured.

1. One-Year Policies

For premium developed as a "per bed" basis, apply the short rate percentage in the short rate cancellation table to the premium determined by applying the rate to the daily average number of beds for the period the policy was in force.

For premium developed on an "outpatient visits" basis the earned premium shall be determined on a short rate basis as follows:

- (i) Multiply the number of units of exposure for the period the policy was in force by the applicable rates.
- (ii) Determine the short rate factor as follows:
 - (a) Obtain the applicable short rate percentage from the short rate cancellation table and express it as a decimal.
 - (b) Divide the number of days the policy was in force by 365.
 - (c) Divide (a) by (b).
- (iii) Multiply (i) by (ii).
- (iv) If the earned premium so determined is less than the short rate amount of the minimum premium (full minimum premium if not subject to short rate adjustment), such short rate amount (full minimum premium if applicable) shall be the earned premium.

Example:

Period of coverage	.....146 days
Short rate percentage (50%) expressed as decimal	..... .50
146 ÷ 365	..... .40
Short rate factor (.50 ÷ .40)	.....1.25

2. Policies With a Term Less Than One Year

If policy has been in force for 12 months or less, use the cancellation procedure described in division A of this rule.

- C. **Combination policies.** If insurance under two or more liability manuals is written in a single policy, the amount to be retained by the company shall be not less than the sum of the amounts provided in each such manual.

SHORT RATE CANCELLATION TABLE
For One-Year Policies

Days Policy In Force	Per Cent of One-Year Premium	Days Policy In Force	Per Cent of One-Year Premium	Days Policy In Force	Per Cent of One-Year Premium
1	5%	95-98	37%	219-223	69%
2	6	99-102	38	224-228	70
3-4	7	103-105	39	229-232	71
5-6	8	106-109	40	233-237	72
7-8	9	110-113	41	238-241	73
9-10	10	114-116	42	242-246	74
11-12	11	117-120	43	247-250	75
13-14	12	121-124	44	251-255	76
15-16	13	125-127	45	256-260	77
17-18	14	128-131	46	261-264	78
19-20	15	132-135	47	265-269	79
21-22	16	136-138	48	270-273	80
23-25	17	139-142	49	274-278	81
26-29	18	143-146	50	279-282	82
30-32	19	147-149	51	283-287	83
33-36	20	150-153	52	288-291	84
37-40	21	154-156	53	292-296	85
41-43	22	157-160	54	297-301	86
44-47	23	161-164	55	302-305	87
48-51	24	165-167	56	306-310	88
52-54	25	168-171	57	311-314	89
55-58	26	172-175	58	315-319	90
59-62	27	176-178	59	320-323	91
63-65	28	179-182	60	324-328	92
66-69	29	183-187	61	329-332	93
70-73	30	188-191	62	333-337	94
74-76	31	192-196	63	338-342	95
77-80	32	197-200	64	343-346	96
81-83	33	201-205	65	347-351	97
84-87	34	206-209	66	352-355	98
88-91	35	210-214	67	356-360	99
92-94	36	215-218	68	361-365	100

XI. ADDITIONAL INTERESTS

A. Policies may be written to include the following additional interests, in addition to those included in the definition of insured, without additional premium charge:

- Executors, administrators, trustees, or beneficiaries**, on policies covering estates of deceased persons or living trusts.
- Financial Control**. An individual, group of persons, partnership or corporation which owns or financially controls one or more partnerships or corporations, on policies covering such risks, or corporations or partnerships which are owned or financially controlled by a single individual, group of persons, partnership or other corporation, on policies covering such controlling interests or interests which they control.
- Husband and wife**.
- Mortgagees, assignees or receivers**, but only for liability as such, on policies covering owners or general lessees.

B. All other additional interests shall be submitted for rating.

XII. DEPOSIT PREMIUMS

A. **Annual Premium Adjustment**. On policies which provide for adjustment of premium at the termination of policies of one year or less, the deposit premium shall be the full premium calculated at authorized rates on the estimated exposure for the policy period.

B. **Interim Premium Adjustment**. On policies which provide for adjustment of premium on an interim basis, the deposit premium shall be as follows:

Monthly basis—Not less than 25% of the annual premium.

Quarterly basis—Not less than 50% of the annual premium.

Semi-annual basis—Not less than 75% of the annual premium.

The deposit premiums shall be retained by the company until expiration of the policy and credited to the final premium adjustment.

C. **Minimum Deposit Premium**. The minimum deposit premium is the premium for the risk payable in advance. In no case, whether upon monthly, quarterly, semi-annual or annual basis shall the deposit premium be less than the minimum premium.

XIII. CLASSIFICATION PROCEDURE

The "Convalescent or Nursing Homes", "Mental Psychopathic Institutions" or "Sanitariums or Health Institutions" classifications shall apply to any osteopathic institution other than osteopathic hospitals and osteopathic clinics.

CLASSIFICATIONS

Code
No.

The following classification does not apply to:

Drugless healing institutions such as chiropractic, naturopathic, sanipractic and Christian Science institutions. Such risks shall be submitted for rating.

Clinics, Dispensaries or Infirmaries—treatment of outpatients only—no regular bed and board facilities

For-Profit

Per 100 outpatient visits **80613**

Not-for-Profit

Per 100 outpatient visits **80614**

Governmental

Per 100 outpatient visits **93211**

Osteopathic

Per 100 outpatient visits **84803**

Clinics, dispensaries or infirmaries incidental to industrial or commercial risks shall be classified and rated under the "For-Profit" classification.

This classification does not apply to not-for-profit dental clinics. Such risks shall be submitted for rating.

Clinics, dispensaries or infirmaries operated by dentists or physicians shall be classified and rated as Physicians, Surgeons and Dentists Professional Liability insurance.

If regular bed and board facilities are provided, classify and rate in accordance with the appropriate classification in this manual.

Convalescent or Nursing Homes—not mental-psychopathic institutions

For-Profit

Per bed **80923**
Per 100 outpatient visits **80951**

Not-for-Profit

Per bed **80924**
Per 100 outpatient visits **80952**

Governmental

Per bed **92212**
Per 100 outpatient visits **92216**

This classification does not apply to risks with surgical operating room facilities, laboratory or medical departments or X-ray apparatus.

Homes for the Aged. Classify and rate homes for the aged operated for the purpose of providing care for the aged sick, infirm or injured as "Convalescent or Nursing Homes". Other homes for the aged shall be submitted for rating.

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CLASSIFICATIONS

HOSPITAL PROFESSIONAL STAT. LINE OF BUS. CODE 57

Hospitals	Classification	Code No.
For-Profit		
Per bed		80611
Per 100 outpatient visits		80610
Not-for-Profit		
Per bed		80612
Per 100 outpatient visits		80617
Governmental		
Per bed		93215
Per 100 outpatient visits		93216

★

Osteopathic

Per bed	84965
Per 100 outpatient visits	84966

This is an N.O.C. classification.

This classification applies to hospitals treating all general or special medical and surgical cases, including sanitariums with surgical operating room facilities.

Veterinary hospitals shall be classified and rated in accordance with the Miscellaneous Medical Professional Liability manual.

Mental-Psychopathic Institutions

For-Profit

Per bed	80997
Per 100 outpatient visits	80999

Not-for-Profit	Classification	Code No.
Per bed		80916
Per 100 outpatient visits		80917
Governmental		
Per bed		91213
Per 100 outpatient visits		91217

This classification applies to institutions primarily for the restraint and treatment of mental, drug, narcotic or alcoholic cases.

Sanitariums or Health Institutions—not hospitals or mental-psychopathic institutions

For-Profit		
Per bed		80925
Per 100 outpatient visits		80953
Not-for-Profit		
Per bed		80926
Per 100 outpatient visits		80954

Governmental

Per bed	93214
Per 100 outpatient visits	93212

This classification applies to risks with regular bed and board facilities, and with laboratory or medical departments. It does not apply to risks with surgical operating room facilities even though designated as sanitariums or health institutions.

Continental Ins Co.

Hospital Class Differentials

Section 9
Exhibit 1
Sheet 1

Classification Definition	Class Code	Class Relativity
<hr/>		
Clinics, Dispensaries or Infirmeries		
For profit - per 100 visits	80613	(a)
Not for profit - per 100 visits	80614	(a)
Governmental - per 100 visits	93211	(a)
Osteopathic - per 100 visits	84803	(a)
Convalescent or Nursing Homes		
For profit - skilled care	80923	0.300
(per bed) intermediate care		0.150
residential care		0.050
- per 100 visits	80951	0.030
Not for profit - skilled care	80924	0.300
(per bed) intermediate care		0.150
residential care		0.050
- per 100 visits	80952	0.030
Governmental - skilled care	92212	0.300
(per bed) intermediate care		0.150
residential care		0.050
- per 100 visits	92216	0.030
Hospitals		
For profit - per bed	80611	1.000
- per 100 visits	80610	0.100
Not for profit - per bed	80612	1.000
- per 100 visits	80617	0.100
Governmental - per bed	93215	1.000
- per 100 visits	93216	0.100
Osteopathic - per bed	84965	1.000
- per 100 visits	84966	0.100
Mental - Psychopathic Institutions		
For profit - per bed	80997	0.650
- per 100 visits	80999	0.065
Not for profit - per bed	80916	0.650
- per 100 visits	80917	0.065
Governmental - per bed	91213	0.650
- per 100 visits	91217	0.065
Outpatient Surgical Facilities		
Not osteopathic - per 100 visits	80453	(a)
Osteopathic - per 100 visits	84453	(a)
Sanitariums or Health Institutions		
For profit - per bed	80925	0.400
- per 100 visits	80953	0.040
Not for profit - per bed	80926	0.400
- per 100 visits	80954	0.040
Governmental - per bed	93214	0.400
- per 100 visits	93212	0.040

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84453 1987

SPRINGFIELD, IL

Illinois Hospital
First year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 1

Class	Class Relativity	--- Territory ---		
		01	02	03
80610	0.10	270	219	166
80611	1.00	2,701	2,195	1,664
80612	1.00	2,701	2,195	1,664
80617	0.10	270	219	166
80916	0.65	1,756	1,427	1,082
80917	0.07	176	143	108
80923	0.30	810	658	499
	0.15	405	329	250
	0.05	135	110	83
	0.30	810	658	499
80924	0.15	405	329	250
	0.05	135	110	83
	0.40	1,081	878	666
80925	0.40	1,081	878	666
80926	0.03	81	66	50
80951	0.03	81	66	50
80952	0.04	108	88	67
80953	0.04	108	88	67
80954	0.65	1,756	1,427	1,082
80997	0.07	176	143	108
80999	1.00	2,701	2,195	1,664
84965	0.10	270	219	166
84966	0.65	1,756	1,427	1,082
91213	0.07	176	143	108
91217	0.04	108	88	67
93212	0.40	1,081	878	666
93214	1.00	2,701	2,195	1,664
93215	0.10	270	219	166

Minimum premium will be ten (10) times the bed rate



Illinois Hospital
Second year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 2

Class	Class Relativity	--- Territory ---		
		01	02	03
80610	0.10	362	294	223
80611	1.00	3,620	2,941	2,230
80612	1.00	3,620	2,941	2,230
80617	0.10	362	294	223
80916	0.65	2,353	1,912	1,450
80917	0.07	235	191	145
80923	0.30	1,086	882	669
	0.15	543	441	335
	0.05	181	147	112
80924	0.30	1,086	882	669
	0.15	543	441	335
	0.05	181	147	112
80925	0.40	1,448	1,176	892
80926	0.40	1,448	1,176	892
80951	0.03	109	88	67
80952	0.03	109	88	67
80953	0.04	145	118	89
80954	0.04	145	118	89
80997	0.65	2,353	1,912	1,450
80999	0.07	235	191	145
84965	1.00	3,620	2,941	2,230
84966	0.10	362	294	223
91213	0.65	2,353	1,912	1,450
91217	0.07	235	191	145
93212	0.04	145	118	89
93214	0.40	1,448	1,176	892
93215	1.00	3,620	2,941	2,230
93216	0.10	362	294	223

Minimum premium will be ten (10) times the bed rate

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SPRINGFIELD, IL

Illinois Hospital
Third year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 3

Class	Class Relativity	--- Territory ---		
		01	02	03
80610	0.10	475	386	293
80611	1.00	4,754	3,863	2,929
80612	1.00	4,754	3,863	2,929
80617	0.10	475	386	293
80916	0.65	3,090	2,511	1,904
80917	0.07	309	251	190
80923	0.30	1,426	1,159	879
	0.15	713	579	439
	0.05	238	193	146
	0.30	1,426	1,159	879
80924	0.15	713	579	439
	0.05	238	193	146
	0.40	1,902	1,545	1,172
80925	0.40	1,902	1,545	1,172
80926	0.03	143	116	88
80951	0.03	143	116	88
80952	0.04	190	155	117
80953	0.04	190	155	117
80954	0.65	3,090	2,511	1,904
80997	0.07	309	251	190
80999	1.00	4,754	3,863	2,929
84965	0.10	475	386	293
84966	0.65	3,090	2,511	1,904
91213	0.07	309	251	190
91217	0.04	190	155	117
93212	0.40	1,902	1,545	1,172
93214	1.00	4,754	3,863	2,929
93215	0.10	475	386	293

Minimum premium will be ten (10) times the bed rate

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SPRINGFIELD, IL

Illinois Hospital
Fourth year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 4

Class	Class Relativity	--- Territory ---		
		01	02	03
80610	0.10	508	413	313
80611	1.00	5,079	4,127	3,129
80612	1.00	5,079	4,127	3,129
80617	0.10	508	413	313
80916	0.65	3,301	2,682	2,034
80917	0.07	330	268	203
80923	0.30	1,524	1,238	939
	0.15	762	619	469
	0.05	254	206	156
	0.30	1,524	1,238	939
	0.15	762	619	469
80924	0.05	254	206	156
	0.40	2,032	1,651	1,252
	0.40	2,032	1,651	1,252
80925	0.03	152	124	94
80926	0.03	152	124	94
80951	0.04	203	165	125
80952	0.04	203	165	125
80953	0.65	3,301	2,682	2,034
80954	0.07	330	268	203
80997	1.00	5,079	4,127	3,129
80999	0.10	508	413	313
84965	0.65	3,301	2,682	2,034
84966	0.07	330	268	203
91213	0.04	203	165	125
91217	0.40	2,032	1,651	1,252
93212	1.00	5,079	4,127	3,129
93214	0.10	508	413	313

Minimum premium will be ten (10) times the bed rate

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SPRINGFIELD, IL

Illinois Hospital
Mature claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 5

Class	Class Relativity	--- Territory ---		
		01	02	03
80610	0.100	540	439	333
80611	1.000	5,403	4,390	3,329
80612	1.000	5,403	4,390	3,329
80617	0.100	540	439	333
80916	0.650	3,512	2,853	2,164
80917	0.065	351	285	216
80923	0.300	1,621	1,317	999
	0.150	810	658	499
	0.050	270	219	166
80924	0.300	1,621	1,317	999
	0.150	810	658	499
	0.050	270	219	166
80925	0.400	2,161	1,756	1,331
80926	0.400	2,161	1,756	1,331
80951	0.030	162	132	100
80952	0.030	162	132	100
80953	0.040	216	176	133
80954	0.040	216	176	133
80997	0.650	3,512	2,853	2,164
80999	0.065	351	285	216
84965	1.000	5,403	4,390	3,329
84966	0.100	540	439	333
91213	0.650	3,512	2,853	2,164
91217	0.065	351	285	216
93212	0.040	216	176	133
93214	0.400	2,161	1,756	1,331
93215	1.000	5,403	4,390	3,329
93216	0.100	540	439	333

Minimum premium will be ten (10) times the bed rate

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Calculation of Deductible Credits

Section 10
Exhibit 1

Limit	Average Severity at limit	\$100,000 Limited Losses & LAE	Loss Elimination Ratio (LER)	LER x expected loss ratio
25,000	18,870	82,797	0.228	0.147
50,000	35,242	82,797	0.426	0.275
100,000	62,797	82,797	0.758	0.489
150,000	81,174	82,797	0.980	0.632

Selected (100,000 limit)

Selected (at 1M/3M base rate)

Limit	Deductible Credits	Deductible Credits
25,000	0.14	0.06
50,000	0.25	0.11
100,000	0.40	0.18
150,000	0.50	0.23

Source of data is ISO Increased Limits review.

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Calculation of Tail Multipliers

In this section we calculate the tail multipliers to be applied to our mature claims made rate in effect when the claims made policy was written. The tail multipliers are also expressed as a function of the most recent step rate. The two methods are algebraically equivalent.

We use our actual claims made multipliers rather than those derived from the data. This reflects actual dollars collected and is therefore more accurate since it implicitly reflects the ratio of fixed versus variable expenses in our step year premium.

A trend rate of 20% is assumed in these calculations.

Investment income lost is reflected at an 8% compound interest rate. As an example, when an insured purchases a first year claims made policy and then buys the tail coverage, the difference between the occurrence policy rate and the amount collected for the first year policy is much like a one year deferred payment plan.

The coverage provided by the tail is actually broader than an occurrence policy since the aggregate is reinstated. [For example: a first year claims made policy at 1000/3000 limits is equivalent to a 1000/6000 occurrence policy when tail coverage is purchased.] We estimate this additional exposure at approximately 5% of the first year claims made policy and decreasing thereafter.

Tail Multipliers

step year	function of recent step rate	function of recent mature rate
1	2.02	1.01
2	2.55	1.71
3	2.37	2.08
4	2.48	2.33
5	2.47	2.47

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Hospitals Tail Multipliers

Section 11
Exhibit 2

1. Insured buys a first year claims made policy, then wishes to buy tail coverage. Assume the mature claims made rate is 1000. Using the claims made to occurrence factor of .73 the occurrence premium is $1000/.73 = 1370$.

We collect 500 for the first year claims made policy ($1000 \times .50$). The difference between the 1370 and the 500 collected (870) is lost investment income at 8%.

Calculation: $500 + x(1000) = (1370 + 70) 1.05$
where $70 = 870 \times 8\%$

$x = 1.01$
as a function of the mature claims made rate

$x = 2.02$
as a function of the first year claims made rate

2. Insured buys a second year claims made policy, then buys tail. First occurrence policy is worth 1370 as before. The second year policy is worth 1644 (1370×1.2). Total occurrence equals 3014. The insured has paid 500 for the first year claims made policy and 804 for the second ($1000 \times 1.2 \times .67$) for a total of 1304. Investment income is calculated as $(1370 - 500) \times (1.08 \text{ squared}) + 644 - 804 \times .08$.

Calculation: $1304 + x(1200) = (3014 + 145 + 67) 1.04$

$x = 1.71$
as a function of the mature claims made rate

$x = 2.55$
as a function of the second year claims made rate

3. The logic follows through to the third year claims made policy. Here the third year occurrence policy is worth 1973, the mature claims made policy is 1440 and the third year claims made policy is 1267.

Calculation: $2571 + x(1440) = (4987 + 226 + 140 + 56) 1.03$

$x = 2.08$
as a function of the mature claims made rate

$x = 2.37$
as a function of the third year claims made rate

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Hospitals Tail Multipliers

Section 11
Exhibit 3

4. The fourth year claims made policy calculation follows through like the others.

The fourth year occurrence policy is worth 2368, the mature claims made policy is 1728 and the fourth year claims made policy is 1624.

Calculation: $4195 + x (1728) = (7355 + 314 + 218 + 117 + 60) 1.02$

$$x = 2.33$$

as a function of the mature claims made rate

$$x = 2.48$$

as a function of the fourth year claims made rate

5. The mature claims made policy calculation follows thusly:

The fifth year occurrence policy is worth 2842 and the mature claims made policy is 2074.

Calculation: $6269 + x (2074) = (10197 + 408 + 303 + 183 + 124 + 61) 1.01$

$$x = 2.47$$

as a function of the mature claims made rate

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Calculation of Pure Premium for Extended Reporting Period Endorsement

Guide (a) rates

Number of years in program	Pure Premium for years of tail coverage				
	1	2	3	4	5 +
1	953.27	930.76	463.05	162.92	349.99
2	780.20	388.14	136.56	115.82	177.56
3	325.35	114.47	97.08	115.82	33.02
4	95.95	81.38	97.08	27.68	0.00
5	68.22	81.38	23.20	0.00	0.00
6	68.22	19.45	0.00	0.00	0.00
7	16.30	0.00	0.00	0.00	0.00

Cumulative values down

0-1	953.27	930.76	463.05	162.92	349.99
0-2	1733.47	1318.9	599.61	278.74	527.55
0-3	2058.82	1433.37	696.69	394.56	560.57
0-4	2154.77	1514.75	793.77	422.24	560.57
0-5	2222.99	1596.13	816.97	422.24	560.57
0-6	2291.21	1615.58	816.97	422.24	560.57
0-7	2307.51	1615.58	816.97	422.24	560.57

Number of years in program	tail multipliers 5+ years	selected tail multipliers
1	1.348	1.35
2	2.102	2.10
3	2.425	2.45
4	2.568	2.60
5+	2.699	2.70

Notes:

The Continental Healthcare policy form provides for unlimited tail cover. While we show the underlying data to calculate various coverage periods, we select tail multipliers only for the unlimited coverage.

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Section 11
Exhibit 5

CALCULATION OF EXTENDED REPORTING ENHANCEMENT MULTIPLIERS
Partial Pure Premiums

	2/87	1/88	2/88	1/89	2/89	1/90	2/90	1/91	2/91	1/92	2/92	1/93	2/93	1/94	2/94
7th PRIOR ACC. YR	98.59	107.69													
6th PRIOR ACC. YR	97.77	216.02	235.94												
5th PRIOR ACC. YR	22.94	243.50	265.96	290.49											
4th PRIOR ACC. YR	23.47	134.86	147.29	160.88	175.72										
3rd PRIOR ACC. YR	09.66	229.00	250.17	273.20	298.40	325.92									
2nd PRIOR ACC. YR	84.09	91.85	100.32	109.58	119.68	130.72	142.78								
1st PRIOR ACC. YR	70.65	77.16	84.28	92.06	100.55	109.82	119.95	131.02							
SAME ACCIDENT YEAR	37.37	40.82	44.58	48.69	53.19	58.09	63.45	69.30	75.70						
	13.45	14.69	16.04	17.52	19.14	20.90	22.83	24.94	27.24	29.75					
	13.67	14.93	16.30	17.81	19.45	21.24	23.20	25.34	27.68	30.23	33.02				
	13.67	14.93	16.30	17.81	19.45	21.24	23.20	25.34	27.68	30.23	33.02	36.06			
	13.67	14.93	16.30	17.81	19.45	21.24	23.20	25.34	27.68	30.23	33.02	36.06	39.40		
	13.67	14.93	16.30	17.81	19.45	21.24	23.20	25.34	27.68	30.23	33.02	36.06	39.40	43.02	
	13.67	14.93	16.30	17.81	19.45	21.24	23.20	25.34	27.68	30.23	33.02	36.06	39.40	43.02	46.99

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HOSPITAL PROFESSIONAL LIABILITY RULES

1. Coverage

Coverage is provided against professional liability claims which might be brought against you resulting from professional services provided or which should have been provided by your hospital.

For details of coverage, refer to the Hospital Professional Liability Insuring Agreement - Claims Made. Coverage is written on a claims made basis. The policy consists of an Insuring Agreement, the General Rules, the Nuclear Exclusion and the Pollution Exclusion.

2. Limits of Liability

Manual rates provide a basic limit of \$1 million each person and \$3 million total limit.

Refer to Company for other limits of liability.

Policy Period

Policies may be written for a specific term up to one year.

4. Classifications - Codes

Clinics, Dispensaries or Infirmarys - no regular bed and board facilities.

	<u>Code No.</u>
For profit	
Per 100 outpatient visits	80613
Not for profit	
Per 100 outpatient visits	80614
Governmental	
Per 100 outpatient visits	93211
Osteopathic	
Per 100 outpatient visits	84803

Convalescent or Nursing Homes - not mental-psychopathic institutions.

	<u>Code No.</u>
For profit	
Per bed	
skilled care facility	80923a
intermediate care facility	80923b
residential care facility	80923c
Per 100 outpatient visits	80951
Not for profit	
Per bed	
skilled care facility	80924a
intermediate care facility	80924b
residential care facility	80924c
Per 100 outpatient visits	80952
Governmental	
Per bed	
skilled care facility	92212a
intermediate care facility	92212b
residential care facility	92212c
Per 100 outpatient visits	92216

Hospitals

	<u>Code No.</u>
For profit	
Per bed	80611
Per 100 outpatient visits	80610
Not for profit	
Per bed	80612
Per 100 outpatient	80617
Governmental	
Per bed	93215
Per 100 outpatient visits	93216
Osteopathic	
Per bed	84965
Per 100 outpatient visits	84966

These classifications apply to institutions primarily for all general or special medical and surgical cases, including sanitariums with surgical operating room facilities and / or physical rehabilitation.

Mental-Psychopathic Institutions

	<u>Code No.</u>
For profit	
Per bed	80997
Per 100 outpatient beds	80999
Not for profit	
Per bed	80916
Per 100 outpatient beds	80917
Governmental	
Per bed	91213
Per 100 outpatient beds	91217

These classifications apply to institutions primarily for treatment of alcoholic, substance abuse and/or mental rehabilitation.

Outpatient Surgical Facilities

	<u>Code No.</u>
Not Osteopathic	
Per 100 outpatient visits	80453
Osteopathic	
Per 100 outpatient visits	84453

Sanitariums or Health Institutions - not hospitals or mental-psychopathic institutions.

	<u>Code No.</u>
For profit	
Per bed	80925
Per 100 outpatient beds	80953
Not for profit	
Per bed	80926
Per 100 outpatient beds	80954
Governmental	
Per bed	93214
Per 100 outpatient beds	93212

These classifications apply to institutions with regular bed and board facilities, with laboratory and/or medical departments, but no surgical operating room facilities and/or physical rehabilitation.

5. Territory

Refer to rate pages for appropriate territory.

6. Rates and Premium Calculations

A. Rates are shown on the rate pages opposite the identify-

The rates applicable will be found on the page corresponding to the number of years the retroactive date precedes the policy expiration date. If the retroactive date does not coincide with the policy effective date, use the page applicable to the nearest number of years by which the retroactive date precedes the policy expiration date.

B. Additional Premium Charges

Pro rate all charges requiring additional premium.

Apply the rates and rules in effect on the effective date of the change even if the policy inception premium was less than the Policy Writing Minimum Premium.

Waive additional premium of \$50.00 or less.

C. Return Premium Charges

Compute return premium pro rata and round to the nearest whole dollar when any coverage or exposure is deleted or an amount of insurance is reduced.

Compute the return premium using the rates and rules in effect on the effective date of the policy.

Waive return premium of \$50.00 or less. Grant any return premium due if requested by the insured.

Retain the policy writing minimum premium.

D. Rates are to be rounded to the nearest whole dollar.

E. Factors or multipliers should be applied consecutively and should not be added together.

F. Policy Cancellation

Compute return premium pro rata and round to the nearest whole dollar when:

1. a policy is canceled at the insurance company's request;
2. the insured no longer has a financial or insurable interest in the property or business operating that is the subject of insurance;
3. a policy is canceled and rewritten in the same company or company group.

Otherwise compute the return premium at .90 of the pro rata unearned premium and round to the nearest whole dollar.

Retain the policy writing minimum premium(see rule 6, paragraph M) when the insured requests cancellation except when a policy is canceled as of the inception date.

G. Additional Employee Coverage

Additional Employee Coverage C - students, employees and authorized volunteers, (except interns, externs, residents, certified registered nurse anesthetists, physicians assistants, dentists, osteopathic physicians and surgeons, physicians, podiatrists and surgeons) may be included as additional interests under policies issued to their employers at an additional premium charge of 10% of the bed and outpatient visit premium.

Additional Employee Coverage D - students, employees and authorized volunteers, interns, externs, residents, certified registered nurse anesthetists, physicians assistants, dentists, osteopathic physicians and surgeons, physicians, podiatrists and surgeons may be included as additional interests under policies issued to their employers at an additional premium charge as follows:

1. Charge the additional premium for Additional Employee Coverage C above, plus
2. Charge;
 - a) for each physician, surgeon, resident, intern and extern - 50% of the respective individual specialty rate, plus
 - b) for each Certified Registered Nurse Anesthetist - 100% of the individual specialty rate.

H. Each policy is written with a mandatory \$5,000 deductible for all claims resulting from the injury or death of any one person.

An optional deductible is available. If the policy is written with a higher deductible, apply the credit from the table below to the basic limits premium.

<u>Limit</u>	<u>Deductible Credit</u>
\$ 10,000	.03
25,000	.06
50,000	.11
100,000	.18
150,000	.23

Refer to Company for other deductibles or when an aggregate is desired.

- I. The ISO Schedule and Experience Rating Plan is on a basic limit basis of \$100,000/\$300,000. To use this plan, calculate the \$1,000,000/\$3,000,000 basic limit rate and divide by 2.20 to put the premium at the \$100,000/\$300,000 limit. All other steps in the rating plan apply.

Once the experience debit/credit percentage is computed the percentage should be multiplied by the \$100,000/\$300,000 rate to derive the dollar debit/credit. This dollar amount should be applied to the \$1,000,000/\$3,000,000 premium otherwise computed.

The Schedule rating percentage can be applied regardless of limit.

- J. If a risk develops an annual manual premium of \$1,000,000 or more at basic limits of liability, the risk may be submitted to the company for "a" rating.

- K. Change of Carrier - Guide "a" rates.

Claim reporting requirements vary by insurance company. To acknowledge this non-standardization in claims made forms, a maximum debit or credit of 10% may be applied.

- L. A policy generating a premium of at least \$30,000 is eligible for a premium discount determined by the following table.

Premium Before Discount		Discount	Multiplicative Factor
\$ 30,000	- \$ 300,000	1.75%	.9825
300,000	- 400,000	2.00	.9800
400,000	- 650,000	2.25	.9775
650,000	- 1,000,000	2.50	.9750
1,000,000	or more	2.75	.9725

- M. Policy Writing Minimum Premium

Minimum annual premium per location is ten times the applicable rate.

Apply a \$2,500 minimum premium per policy regardless of term.

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Reporting Endorsements

The Reporting Endorsement provides coverage for claims arising from professional services which occur subsequent to the retroactive date and prior to the end of the policy period.

The premium for the Reporting Endorsement is determined by applying the factor from the table below to the mature claims made rate for the applicable classification effective on the date the Reporting Endorsement begins.

<u>Number of Years in Claims Made Program</u>	<u>Reporting Endorsement Multiples</u>
1	1.35
2	2.10
3	2.45
4	2.60
5 or more	2.70

The Reporting Endorsement provides for an unlimited period of time.

If no extended reporting period endorsement is purchased, a Basic Extended Reporting Period is automatically provided without additional charge for a period of sixty (60) days. See the General Rules section of the policy for the details of this extension.

8. Basis of Premium

Beds - the daily average number of beds and the number of cribs and bassinets set up and staffed.

Outpatient Visits - the total number of visits made during the policy period by patients who do not receive bed and board service. The rates apply per 100 outpatient visits.

9. Definitions

For Profit Hospital or Institution - one which is not a "Governmental clinic, hospital, nursing home or institution" nor a "Not for profit clinic, hospital, nursing home or institution" as defined below.

Governmental Hospital or Institution - a clinic, hospital nursing home or institution operated by a federal, state, county, city or other governmental body.

Not for profit Hospital or Institution - a clinic, hospital, nursing home or institution not operated by a governmental body and the net earnings of which do not inure to the

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Skilled care facility - a facility that provides skilled nursing care and treatment on a continuous basis for patients who require health care but not hospital services and 50% or more of the patients are under age 65.

Intermediate care facility - a facility that provides skilled nursing care and treatment on a continuous basis for patients who require health care but not hospital services and 50% or more of the patients are over age 65.

Residential Care facility - a facility that provides health related personal care, residential and social care but does not provide continuous skilled nursing care.

HOSPITAL PROFESSIONAL LIABILITY COVERAGE

RULES

Illinois Exception

7. REPORTING ENDORSEMENTS

The Reporting Endorsement provides coverage for claims arising from professional services which occur subsequent to the retroactive date and prior to the end of the policy period.

The premium for the Reporting Endorsement is determined by applying the factor from the table below to the claims made rate for the applicable classification effective on the date the policy period begins.

<u>Number of Years in Claims Made Program</u>	<u>Reporting Endorsement Multiples</u>
1	3.62
2	2.90
3	2.56
4	2.51
5 or more	2.42

The Reporting Endorsement provides for an unlimited period of time.

If no extended reporting period endorsement is purchased, a Basic Extended Reporting Period is automatically provided without additional charge for a period of sixty (60) days. See the General Rules section of the policy for the details of this extension.

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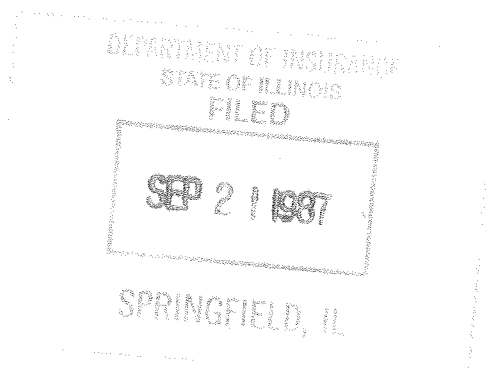
Illinois Territorial Multipliers

Section 8
Exhibit 1

Territory (1)	ISMIIIE Current Rate (2)	Percentage of Exposures (3)	Index to current territory 01 rate (4)	Territory Multipliers (5) [(4)/(4 tot)]
01	7580	0.69	1.000	1.117
02	6140	0.07	0.810	0.905
03	4696	0.24	0.620	0.692

Weighted average
using exposures
as weights

0.895



Illinois Territories

**Section 8
Exhibit 2**

**Territory 01 - Counties of Cook, DuPage, Kane, Lake, Madison,
McKenry, St. Clair and Vermilion**

**Territory 02 - Counties of Champaign, Jackson, Kankakee, LaSalle,
Sangamon and Will**

Territory 03 - Remainder of State

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IX. PREMIUM COMPUTATION

A. The premium shall be computed by applying the rate per practitioner, shown on the State Rate Page, to the total number of practitioners who are named insureds, partners of an insured partnership, officers of an insured professional corporation or employed practitioners of any named insured. The rates shall be applied in accordance with each practitioner's medical specialty and corresponding code number.

1. Compute the premium at policy inception using the rules, rates and rating plans in effect at that time. At each renewal, compute the premium using the rules, rates and rating plans then in effect.
2. Prorate the premium when a policy is issued for other than a whole year.
3. Premiums are calculated as specified for the respective coverage. Premium rounding will be done at the last step of the computation process in accordance with the Whole Dollar Rule, as opposed to rounding at each step.

B. LOCATION OF PRACTICE

The rates as shown in this manual contemplate the exposure as being derived from professional practice within the state. An exception will be allowed for those who derive 25% or less of their annual income from outside the state. Those who derive more than 25% of their annual income outside the state shall be referred to the Company for underwriting approval and rating.

C. FACTORS OR MULTIPLIERS

Individual premium modifications are to be applied multiplicatively, modifications from the Scheduled Rating Modification Plan are to be added together and then applied multiplicatively.

D. WHOLE DOLLAR RULE

In the event the application of any rating procedure applicable in accordance with this manual where the result is not a whole dollar, each rate and premium shall be adjusted as follows:

- i. any amount involving \$.50 or over shall be rounded to the next highest whole dollar amount;
- ii. any amount involving \$.49 or less shall be rounded down to the next lowest whole dollar amount.

E. RETURN PREMIUM

1. Deletion of any coverage, other than optional coverages, is not permitted unless the entire policy is cancelled.
2. Compute return premium at the rates used to calculate the policy premium at the inception of this policy period.
3. Compute return premium pro rata and round in accordance with the Whole Dollar Rule when any coverage or exposure is deleted or an amount of insurance is reduced.
4. Waive return premium of \$15.00 or less. Grant any return premium due if requested by the insured. This waiver only applies to cash exchange due on the endorsement effective date.
5. Retain the policy writing minimum premium.

F. PREMIUM PAYMENT PLAN

The Company may, at its discretion, offer to the named insured various premium payment options, ranging from monthly to annual payment plans. Any installment fees for this option will be as shown on the respective State Rate Page.

G. RESERVE PREMIUM AND/OR PROFIT SHARING

The Company may agree with a sponsoring organization for a sharing of the profits, if any, in accordance with a predetermined formula. In the event of such an agreement, the policy shall be endorsed to either reflect the profit utilization formula or add the pertinent portion of the agreement with the organization to the policy by reference.

Any monies developed in accordance with an agreement set forth above shall be made available to the insureds in accordance with the provisions of such agreement.



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H. ADDITIONAL PREMIUM CHARGES

1. Prorate all changes requiring additional premium.
2. Apply the rates and rules that were in effect at the inception date of this policy period. After computing the additional premium, charge the amount applicable from the effective date of the change, even if the policy inception premium was less than the policy writing minimum premium.
3. Waive additional premium of \$15.00 or less. This waiver only applies to cash exchange due on an endorsement effective date.

I. CLAIMS-MADE 'STEP' RULE

The proper step into which the insured is placed for rating purposes when claims-made coverage has been provided for less than annual periods, is determined as follows:

1. if claims-made coverage has been in effect for less than 6 months, step 1 rates apply;
2. if claims-made coverage has been in effect for "x" years plus less than 6 months, step "x" plus 1 applies;
3. if claims-made coverage has been in effect for "x" years plus 6 months or more, step "x" plus 2 applies.

Note: The value of "x" is the number of whole years.

X. POLICY CANCELLATIONS

- A. Compute return premium pro rata in accordance with the Whole Dollar Rule using the rules, rates and rating plans in effect at the inception of this policy period when:
 1. a policy is cancelled at the Company's request;
 2. the insured no longer has a financial or an insurable interest in the property or operations that is the subject of insurance;
 3. a policy is cancelled and rewritten in the same Company or Company group.
- B. If cancellation is for any other reason than stated in A. above, compute the return premium at .90 of the pro rata unearned premium for the one year period and round in accordance with the Whole Dollar Rule.
- C. Retain the Policy Writing Minimum Premium when the insured requests cancellation, except when a policy is cancelled as of the inception date.

XI. RESTRICTIONS OF COVERAGE OR INCREASED RATE

Subject to individual State Regulations, policies may be issued with special restrictions or at increased premium if:

- A. the insured agrees in writing; and
- B. the policy would not be written otherwise.

XII. EXTENDED REPORTING PERIOD COVERAGE (Claims-Made Coverage Only)

The availability of Extended Reporting Period Coverage shall be governed by the following rules:

- A. The limits or liability available for any Extended Reporting Period shall be as set forth in Policy.
- B. Available Extended Reporting Period options, and appropriate premium charges, shall be as shown in the applicable State Rate Page.
- C. The prior acts date of coverage with this Company will determine the years of prior exposure for Extended Reporting Period coverage.
- D. Premium must be paid promptly when due. Premium may be paid in advance, or at Company discretion, may be paid in three annual installments.
- E. Upon termination of coverage under this policy by reason of death, the deceased's unearned premium for this coverage will be waived and Extended Reporting Period Coverage will be granted for no additional premium charge.
- F. Upon termination of coverage under this policy by reason of disability or retirement by the named insured, Extended Reporting Period Coverage will be granted for no additional charge provided that, during the policy period:
 1. total and permanent disability occurs; or
 2. retirement takes place subject to the provisions as stated on the State Rate Page.
- G. In the event the policy is cancelled, any return premium due the insured shall be credited toward the premium for Extended Reporting Period Coverage, if the insured elects this coverage. If any premium is due for the period of time between the earlier of the policy's Prior Acts date or effective date and the termination date, any



**CNA HealthPro
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XIII. ADDITIONAL CLASSIFICATIONS

A. Disability/Leave of Absence

A practitioner who becomes disabled, or is on leave of absence for a period of 45 days or more, will be eligible for restricted coverage at a reduced rate. This would apply retroactively to the first day of disability or leave of absence. Rating basis as follows:

Disability/Leave of Absence	25% of Medical Specialty
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B. Part-Time

A part-time rate will apply to physicians or surgeons who work less than full-time rated hours. The rating basis is as follows:

Practice less than 20 hours per week	50% of Medical Specialty
--------------------------------------	--------------------------

C. Teaching Physicians

To recognize the reduced exposure associated with practitioners away from their practice while teaching, a reduced rate will be charged upon the following basis:

Due to teaching, your weekly patient contact is limited to:

(Less than 8 Hours per week)	35% of Medical Specialty
(8-16 hours per week)	50% of Medical Specialty
(17 hours or more per week)	100% of Medical Specialty

D. Physicians in Training

Following graduation from medical school, a physician may elect to enter additional training periods. For rating purposes, they are defined as follows:

1. Residency Program - various lengths of time depending upon medical specialty; 3 years average. Following first year residency, generally licensed M.D. Upon completion of residency program physician becomes board eligible;
2. Preceptorship - A preceptee is a non-licensed medical student or licensed physician continuing their education. A licensed physician preceptee shall, for the purposes of this program be considered as a part-time physician and added to the insured physician's policy;
3. Fellowship Program - Follows completion of residency and is a higher level of training.

NOTE: Do not confuse a physician in a fellowship training program with a fellow, for example, of American College of Surgeons, or fellow of American College of OB/GYN. These are honorary membership designations obtained by peer nomination and approval.

Rating basis as follows:

Residency Program	50% of Medical Specialty
Preceptee:	35% of Medical Specialty
Fellowship	100% of Medical Specialty

E. Locum Tenens Physician

Coverage for a physician substituting for an insured physician will be limited to cover only professional services rendered on behalf of an insured physician for the specified time period. Locum Tenens will share in the insured physician's Limit of Liability.

The Locum Tenens physician must complete an application and submit it to the Company in advance for approval prior to the requested effective date of coverage. Rating basis as follows:

Locum Tenens Physicians	No Charge
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F. Change of Exposure or Medical Specialty

In the event of a change in exposure or medical specialty of the practitioner, a charge reflecting the difference between the previous and such new exposure or specialty shall be calculated and collected at the time of such change unless:

1. otherwise eligible for Extended Reporting Period coverage at no charge;
2. with regard to medical specialty, both the prior and the current specialty fall within the same class;
3. the exposure or medical specialty of the practitioner changed more than 4 years prior while insured under claims-made coverage; or



**CNA HealthPro
Medical Practitioners
Countrywide Pages**

G. Premium Adjustment - Claims-Made Only

The following procedure should be used to calculate the exposure surcharge applicable under Rule F., above:

1. Calculate the at limits Extended Reporting Period premium appropriate for:
 - a. the previous medical specialty or status according to the rates and rules contained herein; and
 - b. the premium appropriate for the current medical specialty or status.
2. If the at limits Extended Reporting Period premium for the current specialty or status:
 - a. is less than the premium for the previous medical specialty or status, the dollar amount of difference is the charge to be applied;
 - b. exceeds the premium for the previous medical specialty or status, there shall be no charge.

H. Clinical Practice

The majority of residency training is within a hospital. However, there are periods where clinical experience is required. If a group practice desires individual coverage for these physicians, they may be covered provided that:

1. they are under direct supervision of a clinical physician; and
2. their purpose in the clinic is to receive the experience as part of their overall training program.

This rule shall not apply if the training institution (i.e. hospital) provides Professional Liability coverage for the physician in training while outside the institution.

XIV. MISCELLANEOUS / ANCILLARY MEDICAL PERSONNEL

- A. Professional Liability coverage for miscellaneous medical personnel may be provided. Refer to State Rate Page for medical specialties and rating instructions.
- B. Premium shall be as shown on the State Rate Page.

XV. CORPORATION / PARTNERSHIP / PROFESSIONAL ASSOCIATION

It shall be permissible to provide coverage for a Health Care corporation, Professional Association, or partnership, for liability arising from the practice of medicine by member physicians. Such coverage may be provided as follows:

A. Individual Practice

1. Solo Practice:

on a shared Limit of Liability basis by endorsement to the policy, specifying such entity will share in the individual practitioner limit. In such case no additional premium shall be charged; or
2. All Others

on a separate Limit of Liability basis by naming the corporation/partnership/professional association on the policy. The Limit of Liability shall be equal to the highest limits provided to any one individual member physician. Additional premium shall be as shown on the State Rate Page. In this case, all ancillary personnel shall be added to this corporation limit, and not to the policy of the individual physician.

B. Group Practice

on a separate Limit of Liability basis by naming the corporation/partnership/professional association on the policy. The Limit of Liability shall be equal to the limits provided to the individual member physicians. Additional premium shall be as shown on the State Rate Page.

XVI. OPTIONAL COVERAGES / ENDORSEMENTS

- A. It shall be permissible to add any of the following optional coverages/endorsements as appropriate to the particular situation and in accordance with the minimum basic Limits of Liability indicated herein:
 1. Medical Laboratory

It shall be permissible to add a Medical Laboratory:

 - a. at no additional charge if such laboratory is not a separate entity. Coverage is limited to the testing of the insured's own patients.
 - b. as an additional insured at the premium charge shown on the State Rate Page, if such laboratory is



**CNA HealthPro
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2. Deductibles/Self-Insured Retentions

Deductibles and self-insured retentions may be offered to qualified insureds.

3. First Aid Coverage Endorsement

When added to the practitioner(s) Professional Liability policy, coverage provided by this endorsement is limited to \$5000 per person for first aid expenses. Complete coverage details are explained on the endorsement

XVII. FULL-TIME EQUIVALENCY

It shall be permissible to add coverage for a Full-Time Equivalency position staffed by two or more part-time medical practitioners performing identical professional services for one job description, with their cumulative hours equivalent to one full-time medical practitioner.

The limits of liability apply separately to each position specifically named on the schedule, collectively with such incumbents who qualify for coverage under the definition of "you".

Compute the premium by applying the rates applicable to an individual physician charge for each Full-Time Equivalency position specifically named on the schedule.

XVIII. STAFF POSITION

It shall be permissible to add coverage for a specific Staff Position having a specific job description with professional services being performed by a medical practitioner.

The limits of liability apply separately to each staff position specifically named on the staff position schedule, collectively with such incumbents included as "you" by occupational description, and specifically named on such staff position schedule.

Compute the premium by applying the rates applicable to an individual physician charge for each Staff Position specifically named on the schedule.

XIX. SCHEDULED RATING MODIFICATION PLAN

The hazards of the practice of medicine vary with the organization, establishment of medical standards review and claims review committees, the effectiveness of such committees, loss prevention activities, professional liability claim experience, professional services rendered under written agreement, etc. To recognize specific characteristics unique to the risk, a rate modification as shown below may be applied based on the following:

1. Professional Liability Exposures

The maximum permissible modification of the Professional Liability premium(s) is as shown on the State Rate Page.

	<u>CREDIT</u>	<u>DEBIT</u>
a. <u>Loss Control Program</u>		
The underwriter will evaluate the procedures in place within the practice, including adherence to prior CNA recommendations.	0-10%	0-10%
b. <u>Practice Characteristics</u>		
The underwriter will evaluate the impact of contracts with managed care organizations on utilization, referrals, and overall quality of patient care.	0-15%	0-15%
c. <u>Continuing Education</u>		
Determine if the applicant's professional and para-professional staff participant in effective continuing medical education program(s);	0-5%	0-5%
d. <u>Unusual Risk Characteristics</u>	0-10%	0-10%



Continental Casualty Company & The Continental Insurance Company

A. Medical Practitioners - Claims-Made Rates: (at \$100,000/\$300,000 Limits of Liability)

Territory I: Cook, Madison, St. Clair, Will, and Jackson Counties

Class	Step Rates				
	1	2	3	4	5
1A	2,815	5,119	6,825	7,508	8,532
1	4,022	7,313	9,751	10,726	12,188
2A	4,827	8,776	11,701	12,871	14,626
2	5,631	10,238	13,651	15,016	17,064
3	7,240	13,163	17,551	19,306	21,939
4A	8,849	16,088	21,451	23,596	26,814
4	11,262	20,476	27,302	30,032	34,127
5	13,273	24,133	32,177	35,395	40,221
6	14,480	26,327	35,102	38,612	43,878
7	24,535	44,609	59,478	65,426	74,348
8	32,981	59,966	79,955	87,950	99,943

Territory II: DuPage, Kane, Lake, McHenry, Winnebago, and Vermillion Counties

Class	Step Rates				
	1	2	3	4	5
1A	2,200	3,999	5,332	5,866	6,665
1	3,142	5,713	7,618	8,379	9,522
2A	3,771	6,856	9,141	10,055	11,426
2	4,399	7,999	10,665	11,731	13,331
3	5,656	10,284	13,712	15,083	17,140
4A	6,913	12,569	16,759	18,435	20,948
4	8,798	15,997	21,329	23,462	26,662
5	10,370	18,854	25,138	27,652	31,423
6	11,312	20,568	27,423	30,166	34,279
7	19,168	34,851	46,468	51,114	58,084
8	25,767	46,848	62,465	68,711	78,081

Territory III: Champaign, Grundy, Kankakee, LaSalle, Macon, Sangamon, Bureau, Coles, Dekalb, Effingham, Ogle, and Randolph Counties

Class	Step Rates				
	1	2	3	4	5
1A	1,716	3,119	4,159	4,575	5,199
1	2,451	4,456	5,942	6,536	7,427
2A	2,941	5,348	7,130	7,843	8,913
2	3,431	6,239	8,318	9,150	10,398
3	4,412	8,021	10,695	11,765	13,369
4A	5,392	9,804	13,072	14,379	16,340
4	6,863	12,478	16,637	18,301	20,796
5	8,088	14,706	19,608	21,569	24,510
6	8,824	16,043	21,390	23,529	26,738
7	14,951	27,184	36,245	39,869	45,306
8	20,098	36,542	48,722	53,595	60,903



Continental Casualty Company & The Continental Insurance Company

Territory IV: Remainder of State

Class	Step Rates				
	1	2	3	4	5
1A	1,342	2,440	3,253	3,578	4,066
1	1,917	3,485	4,647	5,111	5,808
2A	2,300	4,182	5,576	6,134	6,970
2	2,684	4,879	6,505	7,156	8,132
3	3,450	6,273	8,364	9,201	10,455
4A	4,217	7,667	10,223	11,245	12,779
4	5,367	9,758	13,011	14,312	16,264
5	6,325	11,501	15,334	16,868	19,168
6	6,900	12,546	16,728	18,401	20,910
7	11,692	21,259	28,345	31,180	35,432
8	15,718	28,578	38,103	41,914	47,629

A 25% credit shall be applied to the medical practitioners' rate if the Limits of Liability are shared with all medical practitioners within a Corporation or Partnership.

B. Scheduled Rating Modification Plan

The maximum permissible modification of the Professional Liability premium(s) under the Schedule Rating Modification Plan is \pm 40%.

C. Individual Risk Rating Plan:

Accounts generating more than \$100,000 in manual premium at \$100,000/300,000 limits of liability are to be considered unique and unusual and will be (a)rated. Proper documentation as to the determination of such rate will be maintained in the underwriting file.

D. Corporation/Partnership/Professional Association Charge:

1. If on a separate limit of liability basis, the rate is computed, per Corporation/Partnership/Professional Association, as up to 20% of the total developed professional liability premium for each practitioner and ancillary person charged a rate.
2. If a solo-practitioner desires coverage for the corporation/partnership/professional association, coverage can be provided for no additional premium charge, in which case the practitioner and the corporation/partnership/association share in the limit of liability.

E. Optional Coverages:

Coverage

Rate

1. All Insureds:

First Aid Coverage Endorsement

Included

Medical Laboratory

25% of the Class 1 rate.

F. Ancillary Personnel - Claims-Made Rates

1. The following ancillary personnel may be added to the Corporation policy (Individual Physicians policy if no Corporation) as additional named insureds at the premium shown below. Limits of Liability must be equal those of the Corporation (Individual Physicians) and shall apply separately to each individual:



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Territory I: Cook, Madison, St. Clair, Will and Jackson Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	603	1,097	1,463	1,609	1,828
H/L Perfusionist	724	1,316	1,755	1,931	2,194
Nurse Midwife	4,907	8,922	11,896	13,085	14,870
Nurse Anesthetist	1,207	2,194	2,925	3,218	3,656
Nurse Practitioners	248	451	601	661	751

Territory II: DuPage, Kane, Lake, McHenry, Winnebago, and Vermillion Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	989	1,798	2,398	2,637	2,997
H/L Perfusionist	1,187	2,158	2,877	3,165	3,597
Nurse Midwife	8,044	14,626	19,501	21,451	24,376
Nurse Anesthetist	1,978	3,597	4,795	5,275	5,994
Nurse Practitioners	248	451	601	661	751

Territory III: Champaign, Grundy, Kankakee, LaSalle, Macon, Sangamon, Bureau, Coles, Dekalb,
Effingham, Ogle, and Randolph Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	1,265	2,299	3,066	3,372	3,832
H/L Perfusionist	1,518	2,759	3,679	4,047	4,599
Nurse Midwife	10,286	18,702	24,936	27,429	31,170
Nurse Anesthetist	2,529	4,599	6,132	6,745	7,665
Nurse Practitioners	248	451	601	661	751



Continental Casualty Company & The Continental Insurance Company

Territory IV: Remainder of State

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	288	523	697	767	871
H/L Perfusionist	345	627	836	920	1,046
Nurse Midwife	2,338	4,252	5,669	6,236	7,086
Nurse Anesthetist	575	1,046	1,394	1,533	1,743
Nurse Practitioners	248	451	601	661	751

- A 25% credit shall be applied to the ancillary personnel rate if the Limits of Liability are shared with the Corporation (Individual Physicians).
- The following ancillary personnel may be added to the Corporation policy as additional insureds at no additional charge, provided that Limits of Liability are on a shared basis:

All other under Code 80998 (Audiologist, Medical Aide, R.N., L.P.N., Psychologist, Research Ph.D.)	Pharmacists
Full Time Medical Students	Physiotherapists
Medical Laboratory Technician	Dental Hygienist
O.R. Technician (Code 80998)	Scrub Nurse (Code 80998)
Optometrist/Optician	X-Ray Technician with/without Therapy

G. Increased Limits:

<i>Desired Limit</i>	<i>Increase Factor</i>
\$100,000/300,000	1.00
\$500,000/1,000,000	1.76
1,000,000/1,000,000	2.09
1,000,000/3,000,000	2.15
{Higher Limits are available - Refer to Company.}	

H. Extended Reporting Period:

1. Automatic Extended Reporting Period

There is no additional premium charge for this coverage

2. Optional Extended Reporting Period

The additional premium for the optional extended reporting period shall be based on the rates for such coverage in effect on the date the Policy terminated.

The factors in the following table shall be applied to the mature claims-made rate in effect at the



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Years of Prior Claims Made Coverage	Installment Factors			Prepaid Factors
	1st Year	2nd Year	3rd Year	
1	.36	.34	.28	0.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

3. Death or Disability Extended Reporting Period

There is no additional premium charge for this coverage.

4. Retirement Extended Reporting Period

- A. There is no additional premium charge for this coverage, provided that retirement takes place during the policy period and the insured is:
1. age 55 or older and has been insured by us for at least 5 years of claims-made coverage; or
 2. any age and has been insured by us for at least 10 years of claims-made coverage.
- B. The Retirement Extended Reporting Period coverage will be granted with the following discounts, provided the above rule does not apply, and retirement takes place subject to the following schedule:

<u>Years of Continuous Coverage with a CNA Company</u>	<u>Premium Discount</u>
9	90%
8	80%
7	70%
6	60%
5	50%
4	40%
3	30%
2	20%
1	10%

♦ Years of coverage must be with a CNA group company on a Claims-Made basis.

I. Quarterly Installment Option

Section F. Premium Payment Plan of the company pages is deleted in its entirety and replaced with the following:

The company will offer to the Named Insured a premium payment option as follows:

- a. Each quarterly premium payment will be 25% of the total annual premium;
- b. There will be no interest charges;
- c. There will be quarterly installment charges equal to the lesser of 1% of the total annual premium or \$25.00;
- d. Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.



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J. Medical Practitioners Classifications

Each medical practitioner is assigned a classification code according to their medical specialty. When more than one classification is applicable, the highest rate classification shall apply.

Class 1A -

<u>Medical Specialty</u>	<u>Code</u>
Administrative Medicine	80178
Allergy/Immunology	80254
Diabetes - no surgery	80237
Forensic or Legal Medicine	80240
General Preventive Medicine	80231
Nephrology - no surgery	80260
Ophthalmology - no surgery	80263
Pathology - All Other	80266
Preventive Medicine - no surgery - Aerospace Medicine	80230
Preventive Medicine - no surgery - Occupational Medicine	80233
Preventive Medicine - no surgery - Public/General Health Medicine	80236
Psychiatry - All Other	80249

Class 1 -

<u>Medical Specialty</u>	<u>Code</u>
Cardiovascular Disease - no surgery	80255
Dermatology - no surgery	80256
Diabetes - minor surgery	80271
Endocrinology - no surgery	80238
Family/General Practice - no surgery	80420
Gastroenterology - no surgery	80241
Geriatrics - no surgery	80243
Gynecology - no surgery	80244
Hematology - no surgery	80245
Hospitalists	80222
Infectious Disease	80246
Internal Medicine - no surgery	80257
Neoplastic Diseases - no surgery	80259
Nephrology - minor surgery	80287
Nuclear Medicine	80262
Nutritionist	80248
Oncology - no surgery	80302
Otorhinolaryngology - no surgery	80265
Pathology - Cytopathology	80292
Pediatrics - no surgery	80267
Pharmacology - clinical	80234
Physical Medicine and Rehabilitation - All Other	80235
Physicians - no surgery - NOC	80268
Preventive Medicine - no surgery - Undersea/Hyperbaric Medicine	80139
Pulmonary Diseases - no surgery	80269
Rheumatology - no surgery	80252
Sports Medicine - no surgery	80205
Urgent Care Medicine	80424
Urology - no surgery	80121



Continental Casualty Company & The Continental Insurance Company

Class 2A -

<u>Medical Specialty</u>	<u>Code</u>
Anesthesiology - All Other	80181

Class 2 –

<u>Medical Specialty</u>	<u>Code</u>
Dermatology - minor surgery	80282
Endocrinology - minor surgery	80272
Family/General Practice - minor surgery - excluding obstetrics	80421
Gastroenterology - minor surgery	80274
Gynecology - minor surgery	80277
Intensive Care Medicine	80283
Internal Medicine - minor surgery	80284
Neurology - including child - no surgery - All Other	80261
Ophthalmology - minor surgery	80289
Otorhinolaryngology - minor surgery	80291
Phys. - no major surgery - Acupuncture	80437
Phys. - no major surgery - Angiography, Arteriography, Catheterization	80422
Phys. - no major surgery - Colonoscopy, ERCP, esophageal dilation	80443
Phys. - no major surgery - Discograms, Myelography, Pneumoenceph.	80428
Phys. - no major surgery - Lymphangiography, Phlebography	80434
Phys. - no major surgery - Needle Biopsy	80446
Phys. - no major surgery - Radiopaque Dye	80449
Phys. - no major surgery - Shock Therapy	80431
Physicians - minor surgery - NOC	80294
Physicians or Surgeons Assistants	80116
Radiology - Diagnostic	80253
Radiology - Therapeutic	80359
Surgery - Ophthalmology	80114
Urology - minor surgery	80120

Class 3 –

<u>Medical Specialty</u>	<u>Code</u>
Anesthesiology - Chronic Pain Management	80182
Bronco - Esophagology	80101
Cardiovascular Disease - minor surgery	80281
Dermatology - All Other	80297
Neonatology - non-critical care	80804
Podiatrists - below the ankle	80993
Radiology - Diagnostic - Including Interventional	80280
Radiology - Therapeutic - Including Interventional & Radiation TX	80358
Surgery - Colon & Rectal	80115
Surgery - Maxillofacial	80210
Surgery - Otorhinolaryngology	80159
Surgery - Pediatric	80180
Surgery - Urological	80145



Medical Practitioners
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Continental Casualty Company & The Continental Insurance Company

Class 4A –

<u>Medical Specialty</u>	<u>Code</u>
Emergency Medicine - no major surgery	80102
Podiatrists - above the ankle	80993a
Surgery - Gastroenterology	80104

Class 4 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Family/General Practice - Incl. OB	80117
Surgery - General - Excluding Bariatric	80143
Surgery - Gynecology	80167
Surgery - Neoplastic Diseases/Oncology	80107

Class 5 –

<u>Medical Specialty</u>	<u>Code</u>
Emergency Medicine - including major surgery	80157
Neonatology - critical care	80804a
Surgery - Abdominal	80166
Surgery - Hand	80169
Surgery - Head and Neck	80170
Surgery - Orthopedic - excluding spine	80154
Surgery - Plastic - NOC	80156
Surgery - Plastic - Otorhinolaryngology	80155
Surgery - Trauma	80171

Class 6 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Cardiac	80141
Surgery - Cardiovascular Disease	80150
Surgery - Orthopedic - including spine	80154a
Surgery - Thoracic	80144
Surgery - Vascular	80146

Class 7 –

<u>Medical Specialty</u>	<u>Code</u>
Perinatology	80804b
Surgery - General - Including Bariatric	80143a
Surgery - Obstetrics - Gynecology	80153

Class 8 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Neurology - including child	80152



Continental Casualty Company & The Continental Insurance Company

Ancillary Medical Personnel

The following medical personnel have been assigned the specialty classification codes as shown:

<u>Medical Specialty</u>	<u>Code</u>
Dental Hygienists	80210
Medical Laboratory Technician	80711
Nurse Midwife	80962
Nurse Practitioner	80998
Nurse Anesthetist	80960
Opticians	80937
Optometrist	80994
Paramedics	80116
Pharmacists	59112
Physician Assistant	80116
Physiotherapists	80938
Scrub Nurse/Operating Room Technician:	
1. whose duties require them to assist & remain in the O.R. for a surgical procedure.	80116
2. whose duties are to set up the O.R., but who do not remain in O.R. during a procedure.	80998
Surgeon Assistant	80116
X-Ray Technician:	
1. with Therapy	80714
2. without Therapy	80713
All <u>other</u> medical personnel including:	
1. Audiologist, Medical Aide	80998
2. R.N., L.P.N.	80964 / 80963
3. Psychologist, Research Ph.D.	80998

Additional Classifications:

Corporation/Partnership/Professional Association	80999
Medical Laboratory	80715

The following classifications identify additional potential exposures applicable to each individual Group Practice. These classifications require prior underwriting approval by the Company.

Clinical Surgery Center	80610
Emergency Room	80610
Medical Facility	80610 / 80611

CNA

FILED

SEP 01 2009

RECEIVED

JUN 16 2009

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

CNA Plaza Chicago IL 60685-0001

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

June 11, 2009

Honorable Michael T. McRaith
Director of Insurance
320 W. Washington St.
Springfield IL 62767

Mercy A. Marasigan

State Filing Analyst
Commercial Lines/37S

Telephone 312-822-6609
Facsimile 312-755-2394
mercedes.marasigan@cna.com

Re: Commercial General Liability Program (ID#09-R3025)
Rate Filing – Liquor Liability

1 CONTINENTAL CASUALTY COMPANY 36-2114545 ✓
2 NATIONAL FIRE INSURANCE COMPANY OF HARTFORD ~~00-0464610~~ 06-0464510 ✓
3 AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA 23-0342560 ✓
4 TRANSPORTATION INSURANCE COMPANY 36-1877247 ✓
5 VALLEY FORGE INSURANCE COMPANY 23-1620527 ✓
*6 THE CONTINENTAL INSURANCE COMPANY 13-5010440 ✓

Dear Director:

This filing introduces rating for use with liquor liability coverage to be offered under classification LIQ with a new state grade-based rating structure. This coverage will be available to any insured with acceptable liquor service business practice and no past loss experience relating to liquor over-serve.

Accordingly, we submit the Manual Pages that contains the rate and rating rules for this program.

Considering this is a new program, there is no rate impact involved, thus no RF-3 has been included.

CNA will be utilizing the ISO form CG 00 33 12 07 for this coverage.

We respectfully request approval of this filing to be applicable to all policies written on and after September 1, 2009.

Very truly yours,

Mercy A. Marasigan

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EXPLANATORY RATE MEMORANDUM

Liquor Liability Coverage

Illinois

Continental Casualty Company

Effective September 1, 2009

BACKGROUND

Liquor Liability is a coverage to be offered under the classification LIQ with a new *state grade-based* rating structure. This coverage will be available to any insured with acceptable liquor service business practices and no past loss experience relating to liquor over-serve.

Historically, CNA has primarily offered Liquor Liability coverage through our E&S Liquor program. That program has been discontinued. With CNA's new focus on classes like fine dining and hotels, we now have a renewed need to provide Liquor Liability utilizing the Insurance Services Office, Inc. coverage forms and a proprietary rate filing.

PROPOSED FILING

Core Rating Structure

This new filing introduces rating for use with a new *state grade-based* structure. For every LIQ policy, an underwriter will choose the loss cost from a range based on the liquor class code and the risk. The chosen loss cost will then be multiplied by the loss cost multiplier (LCM) increased limits factor (ILF), and the proposed new *State Grade Factor*.

The LCM and ILFs for LIQ will be the same as are currently in use for General Liability. The premium 'basis' will continue to be Liquor 'sales'

Insurance Services Office, Inc staff has assigned state Liquor Grades between "0" and "10" which they believe reflects the "degree of difficulty" of the dram laws in each state. As CNA does *not* agree with the level of the ISO Liquor Grade in all states, we have developed proprietary Liquor Liability Grades which contemplate not only an assessment of the Dram Law in each state but also the Common Law, Negligence System, and Joint & Several Liability systems. The CNA State Liquor Grades reflect the following:

- A state designated with a number from **1 to 7** imposes *low to moderate* liability for the liquor vendor. A cause of action for injury, property damage or death caused by an intoxicated person may be brought against the liquor vendor under certain circumstances. Joint and Severable Liability and the State Liability system is more favorable in these states.
- A state designated with a number **8 or 9** imposes *high* liability for the liquor vendor. A cause of action for injury, property damage or death caused by an intoxicated person may be brought against the liquor vendor under certain circumstances. Joint and Severable Liability and the State Liability system is viewed as less favorable in these states.
- A state designated with the number **10** imposes *very high* liability for the liquor vendor. A cause of action for injury, property damage or death caused by an intoxicated person may be brought against the liquor vendor, without limitation, because he or she provided liquor to the intoxicated person and death, injury or property damage was the result. In other words, the mere act of

furnishing the liquor is deemed the proximate cause of the injury. Joint and Several Liability and State Liability system are viewed as unfavorable in these states.

State Liquor Grades are then assigned a State Grade Factor in our proposed Core Rating plan for Liquor Liability. The state of Illinois has been assigned CNA State Liquor Grades of 4 and 9, which in the proposed structure corresponds with a State Grade Factors of .700 and 3.250, respectively. The intent of this grade-based rating structure is that if the legal climate in the state of Illinois changes significantly, CNA should be able to change the state grade to one which more accurately represents the risk taken on. CNA will hold a meeting annually to review all fifty states and determine if changes are needed.

Illinois is a state where our Underwriting, Legal, and Claims areas were unable to assign a single state liquor grade for the entire state as this state exhibited a wide disparity in legal verdicts in certain litigious counties. In order to avoid using the higher state grade for the entire state, we have designated this state as a 'split grade' state. As part of our annual review of all fifty states, CNA will also revisit the territory liquor grades in split-grade states and determine if changes are needed. Of course, if the legal climate in a territory changes significantly, CNA would then be able to change the liquor grade by territory.

Corkage Multiplier

In establishments where Liquor 'sales' are only Corkage fees, we have developed a separate rating plan which includes a Corkage Multiplier. The Corkage Multiplier is 3.00 if the sales base represents corkage fees and is 1.00 otherwise.

Transition Factor

If the state grade changes by two levels or more, a transition rule will apply, in which the factor is an average of the expiring and the renewing State Grade Factors for one year and then progresses to the proper factor. We also intend to transition renewal policies to the new rating structure over the course of two years.

Other

- All policies will be written on an occurrence basis.
- The minimum premium applicable to this coverage will be \$250
- Additional and return premiums will be waived if \$25 or less.
- The ISO General Liability Schedule Rating Plan will be used subject to a premium eligibility of \$1,500.

MANUAL PAGES

We are introducing rate pages CNA-EX-CG-CWR-16 (b), (d), (e), and CNA-EX-CG-IL-16 (g) (1st Edition, 9/1/2009) attached for your records.

IMPLEMENTATION

We propose to implement this rating revision for policies written on and after 9/1/2009.

CONTACT

If you have any questions, please feel free to contact Robert Anderson at (312)-822-7980 or e-mail at Robert.Anderson@cna.com.



CNA Plaza Chicago IL 60685-0001

November 18, 2008

DIVISION OF INSURANCE
STATE OF ILLINOIS/IDFPR
FILED

JUL 01 2009

SPRINGFIELD, ILLINOIS

RECEIVED

APR 24 2009

IDFPR (MPC)
DIVISION OF INSURANCE
SPRINGFIELD

Mercy A. Marasigan

State Filing Analyst
Commercial Lines/37S

Telephone 312-822-6609
Facsimile 312-755-2394
mercedes.marasigan@cna.com

Honorable Michael T. McRaith
Director of Insurance
320 W. Washington St.
Springfield IL 62767

Attn.: Mr. Mark Smith

Re: Workers Compensation & Employers Liability Program (ID#09-R3070)

Adoption of NCCI Voluntary Rates

CONTINENTAL CASUALTY COMPANY 36-2114545 ✓

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD 06-0464510 ✓

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA 23-0342560 ✓

TRANSPORTATION INSURANCE COMPANY 36-1877247 ✓

VALLEY FORGE INSURANCE COMPANY 23-1620527 ✓

*THE CONTINENTAL INSURANCE COMPANY 13-5010440 ✓

Filing #

6 Companies

Dear Mr. Smith:

LAW only Filing

The above named companies are proposing to adopt the NCCI 4/1/2009 voluntary rates, as referenced in their Circular IL-2009-03. We are not proposing to change our company deviations at this time. The current deviations are:

<u>Company</u>	<u>Current Deviation</u>
American Casualty Company of Reading, PA	-20.0%
Continental Casualty Company	+20.0%
The Continental Insurance Company	-40.0%
National Fire Insurance Company of Hartford	0.0%
Transportation Insurance Company	+10.0%
Valley Forge Insurance Company	-10.0%

WOC
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1-0
MMS
Jeh

The impact of the voluntary rate adoption on CNA's book of business is an increase of +2.5%. The appropriate filing forms have been enclosed, along with a copy of CNA's revised manual rate pages.

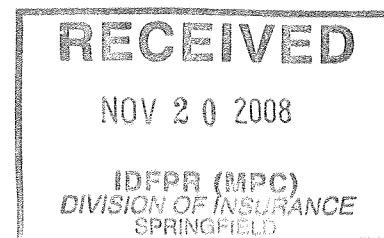
If you have any questions or need additional information, please call Sean Ramlal at (312) 822-7532.

We respectfully request approval of this filing to be applicable to all policies written on and after July 1, 2009.

Please stamp and return the enclosed extra copy of this letter for our records.

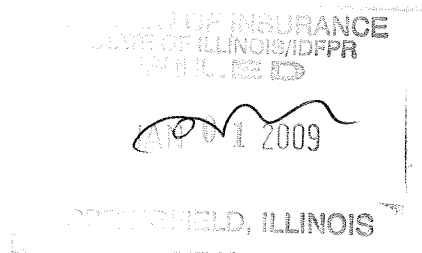
Very truly yours,

Mercy A. Marasigan



CNA Plaza Chicago IL 60685-0001

November 18, 2008



Mercy A. Marasigan

State Filing Analyst
Commercial Lines/37S

Telephone 312-822-6609
Facsimile 312-755-2394
mercedes.marasigan@cna.com

Honorable Michael T. McRaith
Director of Insurance
320 W. Washington St.
Springfield IL 62767

Filing#

Re: Workers Compensation & Employers Liability Program (ID#08-R3284)
Adoption of NCCI Voluntary Rates
CONTINENTAL CASUALTY COMPANY 36-2114545 ✓
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD 06-0464510 ✓
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA 23-0342560 ✓
TRANSPORTATION INSURANCE COMPANY 36-1877247 ✓
VALLEY FORGE INSURANCE COMPANY 23-1620527 ✓
*THE CONTINENTAL INSURANCE COMPANY 13-5010440 ✓

Dear Director:

The above named companies are proposing to adopt the NCCI 1/1/2009 voluntary rates, as referenced in their Circular IL-2008-13. We are not proposing to change our company deviations at this time. The current deviations are:

to Company

<u>Company</u>	<u>Current Deviation</u>
American Casualty Company of Reading, PA	-20.0%
Continental Casualty Company	+20.0%
The Continental Insurance Company	-40.0%
National Fire Insurance Company of Hartford	0.0%
Transportation Insurance Company	+10.0%
Valley Forge Insurance Company	-10.0%

*Woc
RAT
1-0
MAS
geh*

The impact of the voluntary rate adoption on CNA's book of business is an increase of +4.4%. The appropriate filing forms have been enclosed, along with a copy of CNA's revised manual rate pages.

If you have any questions or need additional information, please call Sean Ramlal at (312) 822-7532.

We respectfully request approval of this filing to be applicable to all policies written on and after January 1, 2008.

Please stamp and return the enclosed extra copy of this letter for our records.

Very truly yours,

Mercy A. Marasigan

Smith, Mark

From: Ramlal,Sean S. [Sean.Ramlal@cna.com]
Sent: Friday, December 05, 2008 3:38 PM
To: Smith, Mark
Subject: CNA IL Rate Filing - Effective Date Change

Mark,

As per our phone discussion, CNA would like to request to change the effective date of our previously submitted rate filing from January 1, 2009 to March 1, 2009. We will disregard the stamped approval for 1/1/09 when it arrives in the mail, and your email response will serve as approval.

Thanks and have a great weekend,

Sean Ramlal

Actuarial Analyst

Workers Compensation Pricing

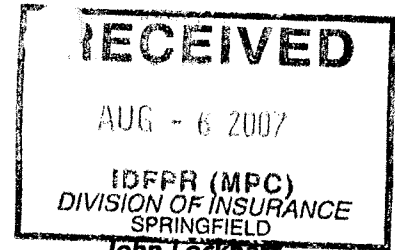
Phone: 312-822-7532

Sean.Ramlal@CNA.com

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40 Wall Street - 9th Floor
New York, New York 10005

August 1, 2007



Regulatory Filings Technician
P & C State Filing Unit
CNA Global Specialty Lines
Telephone 212-440-3270
Facsimile 212-440-2877
Toll Free 877-269-3277 x 3270
Internet john.lockhart@cna.com

Illinois Department of Financial and Professional Regulation
Division of Insurance
Property and Casualty Compliance Unit
320 W Washington St
Springfield, IL 62767-0001

**RE: Continental Casualty Company NAIC# 218-20443, FEIN# 36-2114545
The Continental Insurance Company NAIC #: 218-35289 FEIN #: 13-5010440
Hospital Professional Liability – Rates and Rules Filing
Company Filing No.: 07-R2181**

To Whom It May Concern:

On behalf of the captioned companies we hereby submit for your review and approval the attached revised rates and rules for use with our Hospitals classes of business. With this revised filing for Continental Casualty Company, we are proposing to also adopt the revised rates/rules for the Continental Insurance Company ("CIC") as well. Please see the enclosed actuarial memorandum for further details.

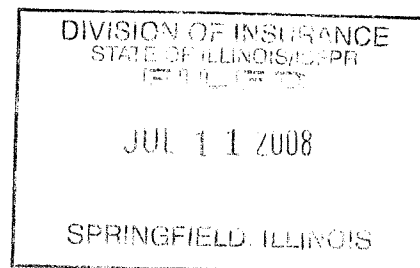
- The Actuarial Memorandum, along with exhibits reflecting changes proposed by this program.
- The applicable revised manual pages.

This filing was last approved on under our filing No.: **05 R2081**.

We propose that this filing become effective for all policies effective August 6, 2007 or the earliest date permitted by your state.

Sincerely,

~~John Lockhart~~



2.3
1.9
1.15
1.2
1.2

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 7/1/2007

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Med Mal</u>	0	0%
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify: N/A New Program

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): See act Memo

*Adjusted to reflect all prior rate changes.

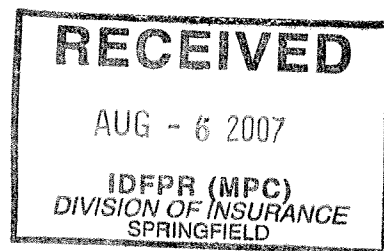
**Change in Company's premium level which will result from application of new rates.

The Continental Insurance Company

Name of Company

Senior Vice President

Official - Title



ILLINOIS CERTIFICATION FOR
MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Sharon K. Robinson, FCAS, MAAA, a duly authorized actuary of The Casualty Actuarial Society, and Vice President am authorized to certify on behalf of The Continental Insurance Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

Sharon K. Robinson

Sharon K. Robinson, FCAS, MAAA
Vice President

8-22-07

Date

Insurance Company FEIN 13 - 5010440

Filing Number 07-82181Insurer's Address 40 Wall StreetCity New York State New York Zip Code 10005

Contact Person's:

- Name and E-mail John Lockhart john.lockhart@cna.com- Direct Telephone and Fax Number (212) 440-3270 (212) 440-2877

Neuman, Gayle

From: Lockhart, John C. [John.Lockhart@CNA.com]
Sent: Friday, September 21, 2007 10:23 AM
To: Neuman, Gayle
Subject: RE: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181

Ms. Neuman:

This confirms that I have faxed the certifications to you. Please note that I used the email in which you provided the fax number, as the top page.

Thank you.

John Lockhart

K

40 Wall Street, 9th Floor
New York, NY 10005-1401
877-269-3277 ext. 3270

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Thank you.

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Lockhart, John C.

From: Neuman, Gayle [Gayle.Neuman@illinois.gov]
Sent: Friday, September 21, 2007 10:30 AM
To: Lockhart, John C.
Subject: RE: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181

Mr. Lockhart,

My fax number is (217) 524-2122.

Gayle Neuman

From: Lockhart, John C. [mailto:John.Lockhart@CNA.com]
Sent: Friday, September 21, 2007 9:18 AM
To: Neuman, Gayle
Subject: RE: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181

Dear Ms. Neuman:

Thanks for your email dated September 18, 2007.

In response:

1. I have completed the certification and am requesting your fax number so that I can send them to you.
 2. Attached please find the updated Illinois Hospital Manual pages. Please refer to page CNA-HOSP-IL- 9 under the section titled Quarterly Installment Option which has been revised as you requested in your e-mail.
- Thank you for your continued review of this filing. Please as usual feel free to contact us with any further questions.

John Lockhart



40 Wall Street, 9th Floor
New York, NY 10005-1401
877-289-3277 ext. 3270

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Thank you

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, September 18, 2007 9:45 AM
To: Lockhart, John C.
Subject: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181

Mr. Lockhart,

In response to your e-mail dated September 6, 2007, please address the following:

9/21/2007

Neuman, Gayle

From: Neuman, Gayle
Sent: Friday, September 21, 2007 9:30 AM
To: 'Lockhart,John C.'
Subject: RE: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181

Mr. Lockhart,

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Gayle Neuman

From: Lockhart,John C. [mailto:John.Lockhart@CNA.com]
Sent: Friday, September 21, 2007 9:18 AM
To: Neuman, Gayle
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John Lockhart

K

40 Wall Street, 9th Floor
New York, NY 10005-1401
877-269-3277 ext. 3270

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Thank you.

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, September 18, 2007 9:45 AM
To: Lockhart,John C.
Subject: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181

Mr. Lockhart,

In response to your e-mail dated September 6, 2007, please address the following:

1. The certification provided did not include the completion of all information requested, which includes the filing number, etc.
2. In regard to the quarterly installment premium payment plan, we are asking you to indicate in the manual that after the initial 25% payment is made at policy issuance, the three remaining 25% installments are due 3, 6 and 9 months from policy issuance. Additionally, please clarify in the manual if the installment charge will be assessed at policy inception and at each installment payment.

We request receipt of your response by no later than September 25, 2007.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (<http://www.idfpr.com/>) by clicking on: Insurance; Industry; Regulatory; IS3 Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

THIS MESSAGE IS INTENDED FOR THE SOLE USE OF THE ADDRESSEE AND MAY BE CONFIDENTIAL, PRIVILEGED AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAWS. IF YOU RECEIVE THIS MESSAGE IN ERROR, PLEASE DESTROY IT AND NOTIFY US BY SENDING AN E-MAIL TO: Gayle.Neuman@illinois.gov

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Neuman, Gayle

From: Lockhart, John C. [John.Lockhart@CNA.com]
Sent: Friday, September 21, 2007 9:18 AM
To: Neuman, Gayle
Subject: RE: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181
Attachments: IL HPL 2007 Pages ed 9-07_update from objections.doc

Dear Ms. Neuman:

Thanks for your email dated September 18, 2007.

In response:

1. I have completed the certification and am requesting your fax number so that I can send them to you.
 2. Attached please find the updated Illinois Hospital Manual pages. Please refer to page CNA-HOSP-IL- 9 under the section titled Quarterly Installment Option which has been revised as you requested in your e-mail.
- Thank you for your continued review of this filing. Please as usual feel free to contact us with any further questions.

John Lockhart

K

40 Wall Street, 9th Floor
New York, NY 10005-1401
877-269-3277 ext. 3270

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Thank you.

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, September 18, 2007 9:45 AM
To: Lockhart, John C.
Subject: Continental Casualty Co & The Continental Ins Co - Hospital Rate/Rule Filing #07-R2181

Mr. Lockhart,

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1. The certification provided did not include the completion of all information requested, which includes the filing number, etc.
2. In regard to the quarterly installment premium payment plan, we are asking you to indicate in the manual that after the initial 25% payment is made at policy issuance, the three remaining 25% installments are due 3, 6 and 9 months from policy issuance. Additionally, please clarify in the manual if the installment charge will be assessed at policy inception and at each installment payment.

We request receipt of your response by no later than September 25, 2007.

Gayle Neuman

Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

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Neuman, Gayle

From: Lockhart, John C. [John.Lockhart@CNA.com]
Sent: Thursday, September 06, 2007 2:37 PM
To: Neuman, Gayle
Subject: RE: Continental Casualty Company & The Continental Insurance Company - Hospital Rate/Rule Filing #07-R2181
Importance: High
Attachments: IL HPL 2007 Pages_update from objections.pdf; Certification.pdf

Ms. Neuman:

We are finally responding to your August 8, 2007 email communication regarding your concerns with the captioned filing. Thank you for your patience.

In order to bring the filing into compliance we respond as follows:

1. The certification is attached.
2. The companies have a plan for the gathering of statistics or the reporting of statistics to statistical agencies? ISO is the stat agency used.
3. We state that the only changes made to the filing were disclosed to the Division.
4. On Page CNA-HOSP-IL-3, we have now deleted East St. Louis which is not an Illinois county.
5. We have corrected the Manual pages to reflect Claims-Made only. We, in the past, used to offer Occurrence. Also, higher limits have been added.
6. The extended reporting period is unlimited.
7. The extended reporting period requirements have been added to the manual pages (attached).
8. There was no mention of an installment payment plan in the manual. All companies writing medical liability insurance shall file with the Secretary or Director a plan to offer each medical liability insured the option to make premium payments, in at least quarterly installments. For purposes of this requirement, insurers may, but are not required to, offer such premium installment plans to insureds whose annual premiums are less than \$500, or for premium for any extension of a reporting period. Quarterly installment premium payment plans subject to this Section shall be included in the initial offer of the policy, or in the first policy renewal occurring after January 1, 2006. Thereafter, the insurer may, but need not re-offer such payment plan, but if an insured requests such payment plan at a later date, the insurer must make it available. All quarterly installment premium payment plan provisions shall be contained in the filed rate and/or rule manual in a section entitled, "Quarterly Installment Option" or a substantially similar title. If the company uses a substantially similar title, the Rule Submission Letter must indicate the name of the section that complies with this requirement. All quarterly installment premium payment plans shall include the minimum standards listed below. Insurers may provide for quarterly installment premium payment plans that differ from these minimum standards, as long as such plans have terms that are at least as or more favorable than those listed below.
 - a) An initial payment of no more than 40% of the estimated total premium due at policy inception;
 - b) The remaining premium spread equally among the second, third, and fourth installments, with the maximum for such installments set at 30% of the estimated total premium, and due 3, 6, and 9 months from policy inception, respectively;
 - c) No interest charges;
 - d) Installment charges or fees of no more than 1% of the total premium or \$25.00, whichever is less;
 - e) A provision stating that additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy may be billed immediately as a separate transaction.

Finally we have added the installment plan to the manual pages (attached).

We trust that this will satisfy your concerns and look forward to your favorable consideration.

Thank you
 John Lockhart

K

40 Wall Street, 9th Floor

9/6/2007

New York, NY 10005-1401

877-269-3277 ext. 3270

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Thank you.

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]

Sent: Wednesday, August 08, 2007 12:27 PM

To: Lockhart, John C.

Subject: Continental Casualty Company & The Continental Insurance Company - Hospital Rate/Rule Filing #07-R2181

Mr. Lockhart,

The Department is in receipt of the above referenced filing number submitted by letter dated August 1, 2007. The submission is not acceptable for filing in Illinois due to the following reason(s):

1. 215 ILCS 5/155.18 states it shall be certified in this filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.
2. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?
3. We request a written statement indicating the only changes made to the filing were disclosed to this Division.
4. Page CNA-HOSP-IL-3 indicates territory 2 is a list of counties including East St. Louis which is not an Illinois county. Madison and St. Claire counties are already included.
5. Page CNA-HOSP-IL-5 under E. Increased Limits - \$1M/\$3M indicates it is a limit for claims-made only coverage. Are the other "desired limits" claims-made or occurrence - with the same increased limit factors? Where are other rates provided for occurrence coverage? Additionally, on page CNA-HOSP-IL-6 the manual references the availability of occurrence coverage.
6. Page CNA-HOSP-IL-5 under F. Extended Reporting Period - the table provides installment and prepaid factors. Will the extended reporting period be for three years or unlimited? Please clarify.
7. Because this policy provides both professional liability and general liability, the policy must provide the more lenient extended reporting period requirements. The insured must be allowed 60 days after the end of the policy period to purchase the e.r.p. The insured must be offered (a) a free 5 year tail and (b) an unlimited tail with limits reinstated (100% of aggregate expiring limits for the duration) and premium capped (e.r.p. is limited to a 200% cap of the annual premium of the expiring policy). After the e.r.p. is paid, it may not be cancelled for any reason.
8. There was no mention of a installment payment plan in the manual. All companies writing medical liability insurance shall file with the Secretary or Director a plan to offer each medical liability insured the option to make premium payments, in at least quarterly installments. For purposes of this requirement, insurers may, but are not required to, offer such premium installment plans to insureds whose annual premiums are less than \$500, or for premium for any extension of a reporting period. Quarterly installment premium payment plans subject to this Section shall be included in the initial offer of the policy, or in the first policy renewal occurring after January 1, 2006. Thereafter, the insurer may, but need not re-offer such payment plan, but if an insured requests such

9/6/2007

payment plan at a later date, the insurer must make it available. All quarterly installment premium payment plan provisions shall be contained in the filed rate and/or rule manual in a section entitled, "Quarterly Installment Option" or a substantially similar title. If the company uses a substantially similar title, the Rule Submission Letter must indicate the name of the section that complies with this requirement. All quarterly installment premium payment plans shall include the minimum standards listed below. Insurers may provide for quarterly installment premium payment plans that differ from these minimum standards, as long as such plans have terms that are at least as or more favorable than those listed below.

- a) An initial payment of no more than 40% of the estimated total premium due at policy inception;
- b) The remaining premium spread equally among the second, third, and fourth installments, with the maximum for such installments set at 30% of the estimated total premium, and due 3, 6, and 9 months from policy inception, respectively;
- c) No interest charges;
- d) Installment charges or fees of no more than 1% of the total premium or \$25.00, whichever is less;
- e) A provision stating that additional premium resulting from changes to the policy shall be spread equally over the remaining installments, if any. If there are no remaining installments, additional premium resulting from changes to a policy may be billed immediately as a separate transaction.

We request receipt of your response by no later than August 17, 2007.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (<http://www.idfpr.com/>) by clicking on: Insurance; Industry; Regulatory; IS3 Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

Definitions

Acute Beds:	All medical-surgical beds including pediatrics, special care, intensive care and burn units. Included in this category are newborn bassinets and neonatal intensive care beds. Any licensed medical-surgical bed defined under another category should not be included in this category.
Deliveries:	The actual number of deliveries including stillbirths during the policy period. Do not include infants transferred from other institutions.
Occupied Beds:	Licensed beds times (x) occupancy rate or number of inpatient days for the policy period divided by 365 days.
Psychiatric Beds:	Provide acute care to emotionally disturbed patients including, but not limited to, the chronically mentally ill, mentally disordered or other mentally incompetent persons.
Chem/Rehab/ Skilled Nursing Beds:	Include in this category alcoholism/substance abuse units, rehabilitation units, and skilled nursing beds (that is, for patients not in an acute phase of illness. Services are provided under the supervision of a licensed registered nurse on a 24-hour basis.)
Extended Care:	Provide intermediate care (the provision of health-related care and services, on a regular basis of health-related care and services to individuals who do not require the degree of care or treatment that a skilled nursing unit is designed to provide), typically in nursing home type units. Skilled nursing beds should be included with Chem/Rehab beds.
Outpatient Visits:	<p>The actual number of persons (counting each visit) who come through the door and use your outpatient facilities or services. Office visits to hospital owned physician practices should be counted in this category as outpatient visits.</p> <p>(1) Use <u>visits</u> rather than occasions of service. For example, a patient referred to the hospital by a physician for a laboratory test and an x-ray would be counted as <u>one</u> visit but <u>two</u> occasions of service. A visit is a person's physical threshold crossing into a facility which may involve multiple occasions of service from more than one clinical department.</p> <p>(2) For serial visits or registrations, whereby several visits are necessary for the same type of treatment, use <u>visits or occasions of service</u> rather than number of registrations. For example, if a chemotherapy registration commonly requires 8 visits or episodes of treatment and there are 100 chemotherapy registrations, report 800 outpatient visits.</p>

**Continental Casualty Company
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Hospital Professional Liability and Ancillary Coverages
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Definitions (continued)

(3) Registrations through the emergency room for "23 hour" observations services should be reported as emergency room or all other outpatient visits (as currently registered by the institution).

(4) Specimens delivered for evaluations do not constitute OPV's.

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**Continental Casualty Company
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Hospital Professional Liability and Ancillary Coverages
State of Illinois**

A. Professional Liability Rates - Limits of Liability - \$100,000/\$300,000

**Territory 1
Remainder of State**

Class	Claims-Made Step Rates					
	1	2	3	4	5	6+
<u>Per Occupied Bed</u>						
Acute	\$643.28	\$1,217.77	\$1,437.50	\$1,502.94	\$1,561.38	\$1,613.59
Extended Care	64.33	121.78	143.75	150.29	156.14	161.36
Psychiatric	450.30	852.44	1,006.25	1,052.06	1,092.97	1,129.51
Rehabilitation	321.64	608.89	718.75	751.47	780.69	806.80
<u>Per Delivery</u>	11.58	21.92	25.88	27.05	28.10	29.04
<u>Per InPt. Surgery</u>	4.50	8.52	10.06	10.52	10.93	11.30
<u>Per OutPt. Surgery</u>	4.50	8.52	10.06	10.52	10.93	11.30
<u>Per 100</u>						
ER Visits	96.49	182.67	215.63	225.44	234.21	242.04
Other OPV Visits	45.03	85.24	100.63	105.21	109.30	112.95
Home Healthcare	19.30	36.53	43.13	45.09	46.84	48.41

**Territory 2
Cook, St. Clair, and Madison Counties**

Class	Claims-Made Step Rates					
	1	2	3	4	5	6+
<u>Per Occupied Bed</u>						
Acute	\$1,383.72	\$2,619.38	\$3,092.01	\$3,232.78	\$3,358.48	\$3,470.78
Extended Care	138.37	261.94	309.20	323.28	335.85	347.08
Psychiatric	968.60	1,833.57	2,164.41	2,262.95	2,350.94	2,429.55
Rehabilitation	691.86	1,309.69	1,546.01	1,616.39	1,679.24	1,735.39
<u>Per Delivery</u>	24.91	47.15	55.66	58.19	60.45	62.47
<u>Per InPt. Surgery</u>	9.69	18.34	21.64	22.63	23.51	24.30
<u>Per OutPt. Surgery</u>	9.69	18.34	21.64	22.63	23.51	24.30
<u>Per 100</u>						
ER Visits	207.56	392.91	463.80	484.92	503.77	520.62
Other OPV Visits	96.86	183.36	216.44	226.29	235.09	242.95
Home Healthcare	41.51	78.58	92.76	96.98	100.75	104.12

**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

B. Employed Physicians, Residents, and Fellows Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000

Rate using filed Continental Casualty Company rates, without application of longevity or loss prevention credit. Apply 25% credit for shared limits and defense with hospital for limits up to \$1 million. For higher limits, refer to company.

C. Other Employees Subject to Individual Rating Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000

Rate the following types of employees using filed Continental Casualty Company rates:

Physician Assistants	Nurse Anesthetists
Surgeon Assistants	Dentists
Nurse Midwives	Oral Surgeons

D. Healthcare Ancillary Business Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000

1. *Managed Care Organizations* - Rate based upon hospital outpatient visit rate and physician exposures, including credit for shared limits and defense, if applicable. Add 5% surcharge for managed care.
2. *Kidney Dialysis Centers* - Rate based upon other outpatient visit rate.
3. *Contract Chemical Dependency Units* - Charge extended care rate for occupied beds; charge 50% of other outpatient visit rate.
4. *Birthing Center* - Charge based upon bed rate, delivery rate, and other outpatient visit rate.
5. *Pathology Laboratory* - \$1.50 per \$100 of gross revenue.
6. *Pharmacy* - \$1.50 per \$100 of gross revenue.
7. *Medical Equipment Rental* - \$0.50 per \$100 of gross revenue.
8. *Urgent Care Clinics* - Rate based upon employed physicians and other outpatient visit rate.
9. *Home Healthcare* - Rate based upon home healthcare visit rate.
10. *Free-standing Nursing Facilities:*
 - Skilled Nursing* - 50% of extended care rate per occupied bed.
 - Intermediate Nursing* - 30% of extended care rate per occupied bed.
 - Personal Care and Individual Living* - 20% of extended care rate per occupied bed.
11. *Emergency Physicians Groups* - Rate based upon number of full-time equivalent physicians.
If full-time equivalent physician count is not available, rate using 2.6% of the physician rate per 100 visits for the physician exposures. (Emergency room visit rate is also applicable to the other outpatient visits, for hospital coverage.)

**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

E. Increased Limits

<u>Desired Limits</u>	<u>Increased Limit Factors</u>
\$100,000 / \$300,000	1.000
\$250,000 / \$750,000	1.381
\$1,000,000 / \$1,000,000	1.957
\$1,000,000 / \$3,000,000	2.060
\$2,000,000 / \$4,000,000	2.580
\$3,000,000 / \$5,000,000	2.950

F. Extended Reporting Period

The factors in the following table shall be applied to the mature claims-made rate in effect at the inception of the last claims-made policy.

Years of Prior Claims-Made Coverage	Installment Factors			Unlimited Prepaid Factors
	1st Year	2nd Year	3rd Year	
1	0.32	0.27	0.17	0.74
2	0.53	0.31	0.25	1.05
3	0.60	0.40	0.25	1.19
4	0.67	0.40	0.25	1.27
5 or more	0.69	0.41	0.26	1.31

- A free five year ERP will be offered; or
- An unlimited ERP with the limits reinstated will be offered;
- The premium will be capped at 200% of the annual premium of the expiring policy; and
- The insured will be given a free-60 day period after the end of the policy to request the coverage.

G. Hospital General Liability Rates - Limits of Liability - \$100,000/\$300,000

To obtain rates for hospital general liability, multiply the hospital professional liability rates for the same limits, deductible, and maturity by 8%.

H. Inclusion of Hospital Required

Since this is a hospital professional liability program, these rates apply only when one or more hospitals together with affiliated health care providers are rated.

I. Umbrella Coverage

Umbrella Liability Coverage is available to 1) provide coverage for those sums in excess of the amount payable under primary insurance and 2) provide coverage for bodily injury, property damage, personal injury or advertising injury claims brought against those covered. These risks will be individually rated, based upon primary premium and limits purchased, loss experience, scope of underlying coverages, scope of this umbrella coverage, and any other unique or unusual characteristics.

**Continental Casualty Company
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State of Illinois**

EXPERIENCE RATING PLAN

A. Eligibility

This plan may apply to the hospital professional liability, physician and surgeon professional liability, other professional liability, and general liability experience of a health care facility or an affiliated group of health care providers which includes at least one health care facility.

The experience of all members of an affiliated group of health care providers may be combined to establish an experience rating applicable to the group. The experience modification so established shall be applied uniformly to all participating members.

B. Application of Modification

The experience modification, determined according to the procedures described in this manual, applies to the manual premium at \$1,000,000/\$3,000,000 limits (or the policy limits, if less than \$1,000,000/\$3,000,000).

In addition to any experience rating modification developed under this plan, a modification reflecting specific risk characteristics may be applied to the premium for the health care facility or affiliated group, in accordance with the Schedule Rating Table, which is part of this plan.

C. Experience Used

The experience modification factor will be determined using loss data compiled on a report year basis. Report year data may include a combination of experience compiled under prior claims-made and occurrence policies, compiled on the basis of the report date of the losses.

The experience modification will be determined from the latest available five complete report years of experience. In the event that the experience for the full five year period is not available, the total experience which is available (subject to a minimum of one complete report year) is to be used.

The experience period will end at least six months prior to the effective date of the experience modification being established. Experience incurred by other companies or self-insured experience may be used subject to the periods described above and given credence in accordance with its apparent reliability.

D. Experience Period Premium at Present Rates

The experience period premium at present rates is the total of the premiums computed by extending the actual exposures developed during the experience period at present manual rates for \$100,000 limits. If loss data is available such that each report year is mature (that is, if the retroactive date is at least 5 years prior to the effective date of the experience year), then the experience period premium will be the mature claims made premium extended by the exposures. If the retroactive date is less than 5 years before the effective date of the experience year, then the exposures will be extended by the appropriate claims-made rates.

Ratable exposures in effect during the experience period may be estimated if not available.

**Continental Casualty Company
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State of Illinois**

E. Experience Period Premium Subject to Experience Rating

The experience period premium is the premium calculated in D, multiplied by the following adjustments for trend:

<u>Experience Period Year</u>	<u>Multiplier</u>
Latest Report Year	.80
2nd Latest Report Year	.71
3rd Latest Report Year	.64
4th Latest Report Year	.61
5th Latest Report Year	.58

F. Losses Subject to Experience Rating

The losses subject to experience rating include paid and outstanding losses. The indemnity portion of each claim is to be limited to \$100,000 per claim, with no aggregate limit. Allocated loss adjustment expenses are then added and are subject to no limitation.

G. Actual Loss Ratio

The actual loss ratio for the risk is determined by dividing the "Losses Subject to Experience Rating" by the "Experience Period Premium Subject to Experience Rating".

H. Credibility

The credibility is calculated as the square root of

$$\frac{\text{Experience Period Premium Subject to Experience Rating}}{\$8,000,000}$$

The maximum credibility a risk may receive is .50.

I. Experience Modification

The experience modification shall be determined by application of the following formula, with the expected loss ratio equal to 75.0%.

$$((\text{Actual Loss Ratio} - \text{Expected Loss Ratio}) / (\text{Expected Loss Ratio})) \times \text{Credibility}$$

For rate calculation, the experience modification must be added to 1.00, to produce an experience modification multiplier. The experience modification multiplier is limited to a minimum of .75, and a maximum of 1.5.

**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

J. Schedule Rating

The hazard of a health care facility, or of an affiliated group of health care providers which includes at least one health care facility, varies with the organization, loss prevention activities, the types of services rendered, and other factors. To a significant extent these factors can be expected to be reflected in the loss experience. However, many facilities/groups are not large enough to have significant credibility in their historical loss experience, or have not been in business in their current organizational form for a very long period. Recent changes may have been made in loss prevention programs. To recognize these and other factors peculiar to a particular health care provider or group, it shall be permissible to apply a debit or credit to the rates and premiums otherwise developed, dependent upon the underwriter's overall evaluation of the risk. The table below identifies the characteristics applicable for rating and the credit and debit ranges for them. The maximum net schedule or debit may not exceed 25%.

Schedule Rating Table

	<u>Maximum Credit/Debit</u>
1. <u>Loss Control Program</u>	
The underwriter will evaluate the procedures in place with the facility or group, including adherence to prior CNA recommendations.	+/- 10%
2. <u>Accreditation</u>	
The underwriter will determine whether the risks in the group are accredited by the appropriate authority (Joint Commission on Accreditation of Hospitals; Accreditation Association for Ambulatory Health Care; or similar agencies).	+/- 5%
3. <u>Patient Advocate Program</u>	
The underwriter will determine whether a mechanism exists for patients or their families to communicate concerns about the institution, and will determine whether a program exists for early intervention when a problem exists.	+/- 5%

**Continental Casualty Company
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4. Physician Insurance Limits

All physicians practicing at the health care facility (or facilities) are required to carry liability insurance limits of at least \$1,000,000/\$3,000,000. +/- 5%

5. Continuing Education Program

Existence of a continuing education program including risk management topics for employed and staff physicians, administration, governing board, and nurses. +/- 5%

6. Unusual Risk Characteristics

+/- 10%

Credit for Shared Limits and Defense

If physicians and hospitals are written in a combined program such that

- (1) for each occurrence, the limit of liability applies to the combined indemnity costs of all physicians and the hospital,
- (2) the company is permitted to provide a common defense for all physicians and the hospital, when both are named in suits arising from a single occurrence,

Then the physician premium shall receive a 25% rate credit.

Quarterly Installment Option

The company will offer to the Named Insured a premium payment option as follows:

- a. Each quarterly premium payment will be 25% of the total annual premium;
- b. There will be no interest charges;
- c. There will be a quarterly installment charges equal to the lesser of 1% of the total annual premium or \$25.00;
- d. Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.

ILLINOIS CERTIFICATION FOR
MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Sharon K. Robinson, FCAS, MAAA, a duly authorized actuary of The Casualty Actuarial Society, and Vice President am authorized to certify on behalf of The Continental Casualty Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

Sharon K Robinson

Sharon K. Robinson, FCAS, MAAA
Vice President

8-22-07

Date

Insurance Company FEIN -

Filing Number _____

Insurer's Address _____

City _____ State _____ Zip Code _____

Contact Person's:

- Name and E-mail _____

- Direct Telephone and Fax Number _____

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Sharon K. Robinson, FCAS, MAAA
Vice President

8-22-07
Date

Insurance Company FEIN - Filing Number _____

Insurer's Address _____

City _____ State _____ Zip Code _____

Contact Person's:

- Name and E-mail _____

- Direct Telephone and Fax Number _____

Neuman, Gayle

From: Neuman, Gayle
Sent: Thursday, August 23, 2007 9:15 AM
To: 'Stern, Adrienne H.'
Subject: RE: Our File No. 07-R2181 (Continental Casualty Co. & The Continental Insurance Co. - Hospital Rate/Rule Filing) - IL

Ms. Stern,

I will extend the due date to September 7, 2007. Because this will be the second extension given, I will be unable to further extend the due date after September 7, 2007.

Gayle Neuman
Division of Insurance

From: Stern, Adrienne H. [mailto:Adrienne.Stern@CNA.com]
Sent: Thursday, August 23, 2007 9:02 AM
To: Neuman, Gayle
Cc: Lockhart, John C.; Cortina, Kristine; Leonard, Jim; Feehan, William C.
Subject: Our File No. 07-R2181 (Continental Casualty Co. & The Continental Insurance Co. - Hospital Rate/Rule Filing) - IL

Ms. Neuman,

We need some additional time to respond to the objection letter attached below.

Please grant an extension for our response to September 7, 2007.

Let us know by response to this email if this is acceptable to you.

Thank you.

Adrienne Stern

Product Compliance Analyst

GSL - Legal Services

Phone: 212-440-3268

Fax: 212-440-2877

adrienne.stern@cna.com

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From: Lockhart, John C.
Sent: Monday, August 13, 2007 10:12 AM
To: Leonard, Jim; Stern, Adrienne H.
Cc: Fleischer, Jean K.; Rolwood, Scott J.; Miller, Rachel; Cortina, Kristine; Arnot, Robert; Elliston, Carol E; Rambarran, Anesa; Alonzo, Robert A.; Morris, Micaah

8/23/2007

Subject: Illinois Hospital Professional Liability Rate/Rule Filing 07-R2181 Objection

<<IL Rates Objection 1.doc>>

08/13/2007

Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability
Rate/Rule Filing
07-R2181

Respond by 8/24/2007

John Lockhart

K

40 Wall Street, 9th Floor
New York, NY 10005-1401
877-269-3277 ext. 3270

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Thank you.

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8/23/2007

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Rehabilitation	321.64	608.89	718.75	751.47	780.69	806.80
<u>Per Delivery</u>	11.58	21.92	25.88	27.05	28.10	29.04
<u>Per InPt. Surgery</u>	4.50	8.52	10.06	10.52	10.93	11.30
<u>Per OutPt. Surgery</u>	4.50	8.52	10.06	10.52	10.93	11.30
<u>Per 100</u>						
ER Visits	96.49	182.67	215.63	225.44	234.21	242.04
Other OPV Visits	45.03	85.24	100.63	105.21	109.30	112.95
Home Healthcare	19.30	36.53	43.13	45.09	46.84	48.41

Territory 2
Cook, East St. Louis, St. Claire, and Madison Counties

Class	Claims-Made Step Rates					
	1	2	3	4	5	6+
<u>Per Occupied Bed</u>						
Acute	\$1,383.72	\$2,619.38	\$3,092.01	\$3,232.78	\$3,358.48	\$3,470.78
Extended Care	138.37	261.94	309.20	323.28	335.85	347.08
Psychiatric	968.60	1,833.57	2,164.41	2,262.95	2,350.94	2,429.55
Rehabilitation	691.86	1,309.69	1,546.01	1,616.39	1,679.24	1,735.39
<u>Per Delivery</u>	24.91	47.15	55.66	58.19	60.45	62.47
<u>Per InPt. Surgery</u>	9.69	18.34	21.64	22.63	23.51	24.30
<u>Per OutPt. Surgery</u>	9.69	18.34	21.64	22.63	23.51	24.30
<u>Per 100</u>						
ER Visits	207.56	392.91	463.80	484.92	503.77	520.62
Other OPV Visits	96.86	183.36	216.44	226.29	235.09	242.95
Home Healthcare	41.51	78.58	92.76	96.98	100.75	104.12

**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

B. Employed Physicians, Residents, and Fellows Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000

Rate using filed Continental Casualty Company rates, without application of longevity or loss prevention credit. Apply 25% credit for shared limits and defense with hospital for limits up to \$1 million. For higher limits, refer to company.

C. Other Employees Subject to Individual Rating Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000

Rate the following types of employees using filed Continental Casualty Company rates:

Physician Assistants	Nurse Anesthetists
Surgeon Assistants	Dentists
Nurse Midwives	Oral Surgeons

D. Healthcare Ancillary Business Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000

1. *Managed Care Organizations* - Rate based upon hospital outpatient visit rate and physician exposures, including credit for shared limits and defense, if applicable. Add 5% surcharge for managed care.
2. *Kidney Dialysis Centers* - Rate based upon other outpatient visit rate.
3. *Contract Chemical Dependency Units* - Charge extended care rate for occupied beds; charge 50% of other outpatient visit rate.
4. *Birthing Center* - Charge based upon bed rate, delivery rate, and other outpatient visit rate.
5. *Pathology Laboratory* - \$1.50 per \$100 of gross revenue.
6. *Pharmacy* - \$1.50 per \$100 of gross revenue.
7. *Medical Equipment Rental* - \$0.50 per \$100 of gross revenue.
8. *Urgent Care Clinics* - Rate based upon employed physicians and other outpatient visit rate.
9. *Home Healthcare* - Rate based upon home healthcare visit rate.
10. *Free-standing Nursing Facilities:*
 - Skilled Nursing* - 50% of extended care rate per occupied bed.
 - Intermediate Nursing* - 30% of extended care rate per occupied bed.
 - Personal Care and Individual Living* - 20% of extended care rate per occupied bed.
11. *Emergency Physicians Groups* - Rate based upon number of full-time equivalent physicians.
If full-time equivalent physician count is not available, rate using 2.6% of the physician rate per 100 visits for the physician exposures. (Emergency room visit rate is also applicable to the other outpatient visits, for hospital coverage.)

Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois

E. Increased Limits

<u>Desired Limits</u>	<u>Increased Limit Factors</u>
\$100,000 / \$300,000	1.000
\$250,000 / \$750,000	1.381
\$1,000,000 / \$1,000,000	1.957
\$1M / \$3M (claims-made only)	2.060
Higher Limits	Refer to Company

F. Extended Reporting Period

The factors in the following table shall be applied to the mature claims-made rate in effect at the inception of the last claims-made policy.

Years of Prior Claims-Made Coverage	Installment Factors			Prepaid Factors
	1st Year	2nd Year	3rd Year	
1	0.32	0.27	0.17	0.74
2	0.53	0.31	0.25	1.05
3	0.60	0.40	0.25	1.19
4	0.67	0.40	0.25	1.27
5 or more	0.69	0.41	0.26	1.31

G. Hospital General Liability Rates - Limits of Liability - \$100,000/\$300,000

To obtain rates for hospital general liability, multiply the hospital professional liability rates for the same limits, deductible, and maturity by 8%.

H. Inclusion of Hospital Required

Since this is a hospital professional liability program, these rates apply only when one or more hospitals together with affiliated health care providers are rated.

I. Umbrella Coverage

Umbrella Liability Coverage is available to 1) provide coverage for those sums in excess of the amount payable under primary insurance and 2) provide coverage for bodily injury, property damage, personal injury or advertising injury claims brought against those covered. These risks will be individually rated, based upon primary premium and limits purchased, loss experience, scope of underlying coverages, scope of this umbrella coverage, and any other unique or unusual characteristics.

**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

EXPERIENCE RATING PLAN

A. Eligibility

This plan may apply to the hospital professional liability, physician and surgeon professional liability, other professional liability, and general liability experience of a health care facility or an affiliated group of health care providers which includes at least one health care facility.

The experience of all members of an affiliated group of health care providers may be combined to establish an experience rating applicable to the group. The experience modification so established shall be applied uniformly to all participating members.

B. Application of Modification

The experience modification, determined according to the procedures described in this manual, applies to the manual premium at \$1,000,000/\$3,000,000 limits (or the policy limits, if less than \$1,000,000/\$3,000,000).

In addition to any experience rating modification developed under this plan, a modification reflecting specific risk characteristics may be applied to the premium for the health care facility or affiliated group, in accordance with the Schedule Rating Table, which is part of this plan.

C. Experience Used

Regardless of whether claims made or occurrence coverage is being purchased, the experience modification factor will be determined using loss data compiled on a report year basis. Report year data may include a combination of experience compiled under claims-made and occurrence policies, compiled on the basis of the report date of the losses.

The experience modification will be determined from the latest available five complete report years of experience. In the event that the experience for the full five year period is not available, the total experience which is available (subject to a minimum of one complete report year) is to be used.

The experience period will end at least six months prior to the effective date of the experience modification being established. Experience incurred by other companies or self-insured experience may be used subject to the periods described above and given credence in accordance with its apparent reliability.

D. Experience Period Premium at Present Rates

The experience period premium at present rates is the total of the premiums computed by extending the actual exposures developed during the experience period at present manual rates for \$100,000 limits. If loss data is available such that each report year is mature (that is, if the retroactive date is at least 5 years prior to the effective date of the experience year), then the experience period premium will be the mature claims made premium extended by the exposures. If the retroactive date is less than 5 years before the effective date of the experience year, then the exposures will be extended by the appropriate claims-made rates.

Ratable exposures in effect during the experience period may be estimated if not available.

Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois

E. Experience Period Premium Subject to Experience Rating

The experience period premium is the premium calculated in D, multiplied by the following adjustments for trend:

<u>Experience Period Year</u>	<u>Multiplier</u>
Latest Report Year	.80
2nd Latest Report Year	.71
3rd Latest Report Year	.64
4th Latest Report Year	.61
5th Latest Report Year	.58

F. Losses Subject to Experience Rating

The losses subject to experience rating include paid and outstanding losses. The indemnity portion of each claim is to be limited to \$100,000 per claim, with no aggregate limit. Allocated loss adjustment expenses are then added and are subject to no limitation.

G. Actual Loss Ratio

The actual loss ratio for the risk is determined by dividing the "Losses Subject to Experience Rating" by the "Experience Period Premium Subject to Experience Rating".

H. Credibility

The credibility is calculated as the square root of

$$\frac{\text{Experience Period Premium Subject to Experience Rating}}{\$8,000,000}$$

The maximum credibility a risk may receive is .50.

I. Experience Modification

The experience modification shall be determined by application of the following formula, with the expected loss ratio equal to 75.0%.

$$((\text{Actual Loss Ratio} - \text{Expected Loss Ratio}) / (\text{Expected Loss Ratio})) \times \text{Credibility}$$

For rate calculation, the experience modification must be added to 1.00, to produce an experience modification multiplier. The experience modification multiplier is limited to a minimum of .75, and a maximum of 1.5.

**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

J. Schedule Rating

The hazard of a health care facility, or of an affiliated group of health care providers which includes at least one health care facility, varies with the organization, loss prevention activities, the types of services rendered, and other factors. To a significant extent these factors can be expected to be reflected in the loss experience. However, many facilities/groups are not large enough to have significant credibility in their historical loss experience, or have not been in business in their current organizational form for a very long period. Recent changes may have been made in loss prevention programs. To recognize these and other factors peculiar to a particular health care provider or group, it shall be permissible to apply a debit or credit to the rates and premiums otherwise developed, dependent upon the underwriter's overall evaluation of the risk. The table below identifies the characteristics applicable for rating and the credit and debit ranges for them. The maximum net schedule or debit may not exceed 25%.

Schedule Rating Table

	<u>Maximum Credit/Debit</u>
1. <u>Loss Control Program</u>	
The underwriter will evaluate the procedures in place with the facility or group, including adherence to prior CNA recommendations.	+/- 10%
2. <u>Accreditation</u>	
The underwriter will determine whether the risks in the group are accredited by the appropriate authority (Joint Commission on Accreditation of Hospitals; Accreditation Association for Ambulatory Health Care; or similar agencies).	+/- 5%
3. <u>Patient Advocate Program</u>	
The underwriter will determine whether a mechanism exists for patients or their families to communicate concerns about the institution, and will determine whether a program exists for early intervention when a problem exists.	+/- 5%

**Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability and Ancillary Coverages
State of Illinois**

4. Physician Insurance Limits

All physicians practicing at the health care facility (or facilities) are required to carry liability insurance limits of at least \$1,000,000/\$3,000,000. +/- 5%

5. Continuing Education Program

Existence of a continuing education program including risk management topics for employed and staff physicians, administration, governing board, and nurses. +/- 5%

6. Unusual Risk Characteristics

+/- 10%

Credit for Shared Limits and Defense

If physicians and hospitals are written in a combined program such that

- (1) for each occurrence, the limit of liability applies to the combined indemnity costs of all physicians and the hospital,
- (2) the company is permitted to provide a common defense for all physicians and the hospital, when both are named in suits arising from a single occurrence,

Then the physician premium shall receive a 25% rate credit.

Continental Casualty Company
The Continental Insurance Company
Hospital Professional Liability

Actuarial Memorandum
Illinois

With this rate filing, Continental Casualty Company ("CCC") proposes a change to its Hospital Professional Liability program in the State of Illinois. Specifically, CCC is proposing a rate decrease for Territory 1 of -5.6%, and a rate increase for Territory 2 of +16.1%. In addition, we are proposing to re-assign the following counties from Territory 1 to Territory 2: Monterey, East St. Louis, St. Claire, and Madison. CCC has no premium volume in Illinois, so no insureds will be impacted by these changes.

Also with this filing, we are proposing to adopt the revised CCC rates for The Continental Insurance Company ("CIC"). The change to the CCC rates and territories, along with the introduction of CIC as a new underwriter for this program, are proposed with an effective date of July 1, 2007.

CCC has no written premium under this program in Illinois. Therefore, the indicated rate change was not calculated based upon CCC's historical experience, but rather based on experience from Illinois hospital accounts submitted to CNA for price quotes. Exhibit 1 shows the calculation of the indicated rate change. Exhibit 2 outlines the projected expense provisions underlying the permissible loss & LAE ratio.

The revised rating manual pages referencing both CCC and CIC are attached. Page 3 reflects the updated rates and new territory assignments. In addition, Experience rating rule I on Page 7 has been changed to reflect the updated permissible loss & ALAE ratio of 75.0%.

CNA INSURANCE COMPANIES
Hospital Professional Liability

Exhibit 1
Sheet 1

Illinois Territory 1
HPL & PPL Coverage Effective April 1, 2006

PROJECTED LOSSES
Loss Cost Selection

Report Year Beginning Apr-1	Ultimate Losses Limited to \$1,000,000	Loss Cost Trend Factor	Unadjusted Trended Ultimate Losses	Ultimate Losses in Excess of Limit	Limited Trended Ultimate Losses	Total Exposure Units	Loss Cost at 2006 Level	Include in Loss Cost Average
	[a]	[b]	[2]x[3]	[c]	[4]-[5]	[d]	[6]/[7]	[e]
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
1995	2,254,031	2.046	4,612,620	0	4,612,620	0	---	
1996	2,390,664	1.931	4,615,306	306,101	4,309,205	2,483	1,735.67	
1997	4,196,678	1.821	7,643,315	1,258,680	6,384,634	3,202	1,994.04	
1998	8,971,234	1.718	15,414,250	3,473,247	11,941,003	4,023	2,968.00	
1999	8,736,368	1.606	14,028,698	2,826,970	11,201,728	4,358	2,570.53	
2000	10,630,157	1.501	15,953,000	4,003,445	11,949,555	4,677	2,554.91	
2001	10,179,397	1.403	14,277,131	1,648,377	12,628,753	4,817	2,621.68	
2002	9,729,008	1.311	12,752,745	781,268	11,971,477	4,929	2,428.90	
2003	7,459,751	1.225	9,138,516	225,043	8,913,473	5,088	1,751.77	
2004	10,840,005	1.145	12,410,722	939,895	11,470,828	5,203	2,204.45	
2005	11,392,820	1.070	12,190,318	304,745	11,885,573	5,288	2,247.65	
Total/Avg	86,780,114		123,036,621	15,767,771	107,268,849	44,068	2,434.15	

Projected Limited Losses for Policy Year Beginning April 1, 2006

[10] 5-Year Average Excl. 2005 [SUM{[6]} / SUM{[7]} (2000 to 2004)]	2,303.65
[11] Average Based on Selected Years	2,291.00
[12] Selected Loss Cost [e]	2,291.00
[13] Total Exposure Units [d]	5,325
[14] Projected Losses Limited to \$1,000,000 [[12] x [13]]	12,198,811

Trend (7%) to 7/1/07	1.088
PLR	0.750
Indicated \$1M Rate (@7/1/07	3,324

Current \$1M Rate	3,520
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Indicated Rate Change	-5.6%
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Selected Rate Change	-5.6%
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CNA INSURANCE COMPANIES
Hospital Professional Liability

Exhibit 1
Sheet 2

Illinois Territory 2 - Cook County
HPL & PPL Coverage Effective May 1, 2006

PROJECTED LOSSES
Loss Cost Selection

Report Year Beginning May-1	Ultimate Losses Limited to \$1,000,000	Loss Cost Trend Factor	Unadjusted Trended Ultimate Losses	Ultimate Losses in Excess of Limit	Limited Trended Ultimate Losses	Total Exposure Units	Loss Cost at 2006 Level	Include in Loss Cost Average
[1]	[2]	[3]	[2]x[3]	[4]	[4]-[5]	[6]	[6]/[7]	[8]
1995	19,611,453	2.184	42,832,895	15,632,468	27,200,427	0	---	
1996	28,292,289	2.060	58,294,809	16,281,755	42,013,054	7,449	5,640.12	
1997	31,668,601	1.944	61,558,044	18,710,047	42,847,997	9,600	4,463.39	
1998	49,943,323	1.834	91,585,665	29,263,329	62,322,335	11,974	5,204.78	
1999	52,799,427	1.714	90,488,939	22,617,058	67,871,881	13,550	5,008.99	
2000	55,990,573	1.587	88,850,003	20,890,778	67,959,224	14,929	4,552.19	
2001	66,340,772	1.469	97,476,359	19,481,061	77,995,299	15,547	5,016.72	
2002	73,301,211	1.360	99,725,489	15,935,188	83,790,300	16,109	5,201.61	
2003	72,543,306	1.260	91,383,673	11,245,299	80,138,373	16,695	4,800.12	
2004	75,921,269	1.166	88,554,568	6,012,964	82,541,604	16,954	4,868.57	
2005	100,014,335	1.080	108,015,482	5,045,075	102,970,406	17,361	5,930.98	
Total/Avg	626,426,559		918,765,925	181,115,025	737,650,900	140,168	5,262.62	

Projected Limited Losses for Policy Year Beginning May 1, 2006

[10] 5-Year Average Excl. 2005 [SUM{[6]} / SUM{[7]} (2000 to 2004)]	4,891.03
[11] Average Based on Selected Years	4,901.87
[12] Selected Loss Cost [e]	4,901.87
[13] Total Exposure Units [d]	17,491
[14] Projected Losses Limited to \$1,000,000 [[12] x [13]]	85,739,362

Trend (8%) to 7/1/07	1.094
PLR	0.750
Indicated \$1M Rate (@7/1/07	7,150

Current \$1M Rate	6,160
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Indicated Rate Change	16.1%
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Selected Rate Change	16.1%
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**CNA INSURANCE COMPANIES
ILLINOIS
Primary - Hospital Professional Liability**

Calculation of Permissible Loss & ALAE Ratio

(1) Target CNA ROE	15.0%
(2) 2007 Plan Loss & ALAE Ratio	68.0%
(3) <u>ULAE to Premium Ratio</u>	<u>5.7%</u>
(4) ULAE to Loss & ALAE	8.3%
(5) Commission	10.0%
(6) General Expenses	6.0%
(7) State Premium Tax	2.4%
(8) Expense Ratio (ER)	18.4%
(9) Present Value Premium Factor (60 day Lag) (PVP)	0.9922
(10) Present Value L&ALAE Factor PV ₁	0.8609
(11) Present Value ULAE Factor PV ₂	0.9189
(12) Leverage Ratio (L)	1.90
(13) Yield on Capital (Y)	4.5%
(14) Percent Investable (I)	70.0%
(15) Income Tax Rate (T)	35.0%
(16) Permissible Loss & ALAE Ratio (L&ALAE)	75.0%
(17) Targeted Combined Ratio	99.1%

**CNA INSURANCE COMPANIES
ILLINOIS
Primary - Hospital Professional Liability**

Calculation of Investment Income Adjustments

	L&ALAE	ULAE	4.8%	L&ALAE	ULAE
	Incremental	Incremental	Discount	Discounted	Discounted
<u>Months</u>	<u>Payout</u>	<u>Payout</u>	<u>Factor</u>	<u>Payout</u>	<u>Payout</u>
(1)	(2)	(3)	(4)	(5)	(6)
12	3.6%	51.8%	97.7%	3.5%	50.6%
24	22.5%	11.2%	93.2%	20.9%	10.5%
36	22.1%	11.0%	89.0%	19.7%	9.8%
48	19.0%	9.5%	84.9%	16.1%	8.1%
60	22.5%	11.2%	81.1%	18.2%	9.1%
72	4.8%	2.4%	77.4%	3.7%	1.9%
84	2.4%	1.2%	73.8%	1.7%	0.9%
96	1.5%	0.7%	70.5%	1.0%	0.5%
108	1.0%	0.5%	67.2%	0.7%	0.3%
120	0.5%	0.2%	64.2%	0.3%	0.2%
132	0.3%	0.1%	61.2%	0.2%	0.1%
144	0.0%	0.0%	58.5%	0.0%	0.0%
156	0.0%	0.0%	55.8%	0.0%	0.0%
	100%	100%		86.1%	91.9%

(4) = $(1.048)^{-((1) - 6) / 12}$

(5) = (2) x (4)

(6) = (3) x (4)

Neuman, Gayle

From: Lockhart, John C. [John.Lockhart@CNA.com]
Sent: Monday, July 14, 2008 10:59 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #07-R2181

Thank you. That will be fine.
John

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, July 14, 2008 11:58 AM
To: Lockhart, John C.
Subject: RE: Rate/Rule Filing #07-R2181

Mr. Lockhart,

The Director signed off on this filing on July 11, 2008. Is that the effective date you want to use?

Gayle Neuman

From: Lockhart, John C. [mailto:John.Lockhart@CNA.com]
Sent: Monday, July 14, 2008 10:56 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #07-R2181

Ms. Neuman:

Thank you for your email. We confirm that we do not currently write any business for this type of coverage. We have not implemented the filing because we wait for the Division of Insurance to approve the filing, even though such waiting is not required. Thank you for your review.
John Lockhart

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, July 14, 2008 9:18 AM
To: Lockhart, John C.
Subject: Rate/Rule Filing #07-R2181

Mr. Lockhart,

The above referenced filing was submitted to the Division of Insurance on August 6, 2007. You had requested an effective date of August 6, 2007.

This filing review has been completed and will be filed. Did you put this filing into effect on August 6, 2007? I am only asking because many companies give us an effective date, but then actually wait until we have completed our review before implementing it - which is not required. I assume since you don't currently write any business for this type of coverage that you implemented the filing on August 6, 2007. Please advise.

Your prompt attention is appreciated.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation

7/14/2008

(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (<http://www.idfpr.com/>) by clicking on: Insurance; Industry; Regulatory; IS3 Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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7/14/2008

**EXPEDITED FILING TRANSMITTAL DOCUMENT
FOR TERRORISM RISK INSURANCE FORMS AND PRICING**

This page applies to the following state(s) IL

Indicate Type of Filing
<input checked="" type="checkbox"/> Filing Related to <i>Certified Losses</i>
<input type="checkbox"/> Filing Related to <i>Non-Certified Losses</i>
<input type="checkbox"/> Filing Applicable to Both Certified and Non-Certified Losses

Department Use only

Company Name(s)	Domicile	NAIC #	FEIN #
American Casualty Company of Reading	Pennsylvania	218-20427	23-0342560
Continental Casualty Company	Illinois	218-20443	36-2114545
National Fire Insurance Company of Hartford	Connecticut	218-20478	06-0464510
The Continental Insurance Company	Illinois	218-35289	13-5010440
Transportation Insurance Company	Illinois	218-20494	36-1877247
Valley Forge Insurance Company	Pennsylvania	218-20508	23-1620527

Contact Info for Filer

Name and address of Filer(s)	Telephone #	FAX #	e-mail
Mercy A. Marasigan CNA 333 So. Wabash Ave., Chicago, IL 60604	312-822-6609	312-822-2394	mercedes.marasigan@cna.com

Filing information

Line of Insurance (see attachment)	Worker's Compensation <i>Terrorism Revised MANUAL page</i>
Company Program Title (Marketing title) (if applicable)	Workers Compensation
Filing Type ** see note below	Rate
This application is used with:	Rate
Effective Date Requested	March 1, 2008
Filing date	2/20/08
Company Tracking Number	08-R3053
Date filing approved in domiciliary state, if applicable	N/A

	Component/Form Name /Description/Synopsis	Form # or Rate Page Include edition date	Replacement Or withdrawn?	If replacement, give form # or rate page(s) it replaces	Previous State Filing Number, if required by state
01	Miscellaneous Values Rate Pages	CNA - WC - 1M	<input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	CNA - WC - 1M	
02			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither		

To be complete, a filing must include the following:

- A completed Expedited Filing Transmittal Document for each insurer or advisory organization.
- One copy of each endorsement, disclosure form or other policy language, unless the insurer has given an advisory organization authorization to file them on its behalf.
- A copy of the rates, rating systems and supporting documentation.
- The appropriate filing fees, if required
- A postage-paid, self-addressed envelope **large enough to accommodate the return.**

The insurer(s) submitting this filing certifies that it:

- ☒ Is in compliance with the terms of the Terrorism Risk Insurance Act of 2002 and the laws of this state; and
- ☒ Is in compliance with the requirements of the bulletin containing the voluntary expedited filing procedures.

Luyuan Chai

Luyuan Chai

Actuarial Manager

Signature

Print Name:

Title:

*WBC
RUL
to
MAS
geh*

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

Due to the nature of filing to comply with Federal Law, we respectfully deem this filing effective March 1, 2008.

Amount: \$

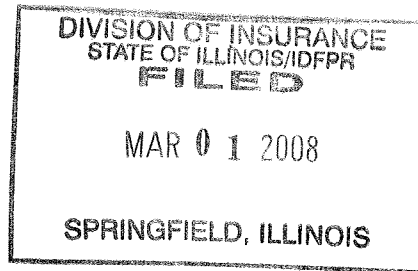
Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**



CNA Plaza Chicago IL 60685-0001

October 31, 2007



Mercy A. Marasigan

State Filing Analyst
Commercial Lines/37S

Telephone 312-822-6609

Facsimile 312-755-2394

mercedes.marasigan@cna.com

Honorable Michael T. McRaith
Director of Insurance
320 W. Washington St.
Springfield IL 62767

Attn.: Mr. Mark Smith

Re: Workers Compensation & Employers Liability Program (ID#07-R3323)
Adoption of NCCI Voluntary Rates
CONTINENTAL CASUALTY COMPANY 218-20443
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD 218-20478
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA 218-20427
TRANSPORTATION INSURANCE COMPANY 218-20494
VALLEY FORGE INSURANCE COMPANY 218-20508
THE CONTINENTAL INSURANCE COMPANY 218-35289

Dear Smith:

The above named companies are proposing to adopt the NCCI 1/1/2008 voluntary rates, as referenced in their Circular IL-2007-08. We are not proposing to change our company deviations at this time. These deviations are reflected in the enclosed FILING MEMORANDUM.

Should you need any additional information regarding this filing, please feel free to call Amanda Castello at (312) 822-5802.

We respectfully request approval of this filing to be applicable to all policies written on and after March 1, 2008.

Please stamp and return the enclosed extra copy of this letter for our records.

Very truly yours,

Mercy A. Marasigan

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only



2. Insurance Department Use only

a. Date the filing is received:

b. Analyst:

c. Disposition:

d. Date of disposition of the filing:

e. Effective date of filing:

New Business

Renewal Business

f. State Filing #:

g. SERFF Filing #:

h. Subject Codes

3. Group Name

CNA

Group NAIC

218

4. Company Name(s)

Domicile

NAIC

FEIN

State

Continental Casualty Company

IL

20443

36-2114545

National Fire Insurance Company of Hartford

IL

20478

06-0464510

American Casualty Company of Reading, Pa

PA

20427

23-0342560

Transportation Insurance Company

IL

20494

36-1877247

Valley Forge Insurance Company

PA

20508

23-1620527

The Continental Insurance Company**

PA

35289

13-5010440

5. Company Tracking Number

07-R3323

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address

Title

Telephone #s

FAX

e-mail

Mercy A. Marasigan

State Filing
Analyst

(312) 822-6609

(312) 755-2394

mercedes.marasigan
@cna.com333 S. Wabash Ave.
Chicago, IL 60604

7. Signature of authorized filer

Mercy A. Marasigan

8. Please print name of authorized filer

Mercy A. Marasigan

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)

16.0000

10. Sub-Type of Insurance (Sub-TOI)

16.0004

11. State Specific Product code(s) (if applicable)[See State Specific Requirements]

12. Company Program Title (Marketing title)

Workers Compensation

13. Filing Type

☐ Rate/Loss Cost ☐ Rules ☒ Rates/Rules
☐ Forms ☐ Combination Rates/Rules/Forms
☐ Withdrawal ☐ Other (give description)

14. Effective Date(s) Requested

New: 3/1/08

Renewal: 3/1/08

15. Reference Filing?

☒ Yes ☐ No

16. Reference Organization (if applicable)

NCCI

17. Reference Organization # & Title

NCCI Circular IL-2007-08

18. Company's Date of Filing

10/31/07

19. Status of filing in domicile

☐ Not Filed ☐ Pending ☐ Authorized ☐ Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	07-R3323
--	-----------------

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
--

The above named companies are proposing to adopt the NCCI 1/1/2008 voluntary rates, as referenced in their Circular IL-2007-08. We are not proposing to change our company deviations at this time. These deviations are reflected in the enclosed FILING MEMORANDUM.

Should you need any additional information regarding this filing, please feel free to call Amanda Castello at (312) 822-5802.

We respectfully request approval of this filing to be applicable to all policies written on and after March 1, 2008.

Please stamp and return the enclosed extra copy of this letter for our records.

22. Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #: N/A

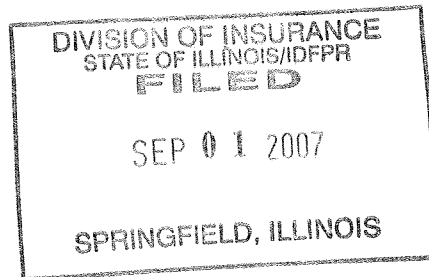
Amount: \$

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only



2. Insurance Department Use only

- a. Date the filing is received:
 b. Analyst:
 c. Disposition:
 d. Date of disposition of the filing:
 e. Effective date of filing:
 f. State Filing #:
 g. SERFF Filing #:
 h. Subject Codes

New Business
Renewal Business

RECEIVED

AUG - 8 2007

IDFPR (MPC)
DIVISION OF INSURANCE
SPRINGFIELD3. Group Name
CNA

4. Company Name(s)

Continental Casualty Company
 National Fire Insurance Company of Hartford
 American Casualty Company of Reading, Pa
 Transportation Insurance Company
 Valley Forge Insurance Company
 * The Continental Insurance Company

Group NAIC #

218

Domicile	NAIC #	FEIN #	State #
IL	20443	36-2114545	
IL	20478	06-0464510	
PA	20427	23-0342560	
IL	20494	36-1877247	
PA	20508	23-1620527	
PA	35289	13-5010440	

5. Company Tracking Number

07-L3228

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address
Mercy A. MarasiganTitle
State Filing AnalystTelephone #s
(312) 822-6609

FAX #

(312) 755-2394

e-mail

mercedes.marasigan@cna.com

333 S. Wabash Ave.
Chicago, IL 60604

7. Signature of authorized filer

8. Please print name of authorized filer
Mercy A. Marasigan

9. Type of Insurance (see General Instructions for descriptions of these fields)

10. Sub-Type of Insurance (Sub-TOI)

11. State Specific Product code(s) (if applicable) [See State Specific Requirements]

12. Company Program Title (Marketing title)

13. Filing Type

14. Effective Date(s) Requested

15. Reference Filing?

16. Reference Organization (if applicable)

17. Reference Organization # & Title

18. Company's Date of Filing

19. Status of filing in domicile

Workers Compensation & Employers Liability

☐ Rate/Loss Cost ☒ Rules ☒ Rates/Rules
☐ Forms ☐ Combination Rates/Rules/Forms
☐ Withdrawal ☐ Other (give description)

New: Written 9/1/07

☐ Yes ☐ No

Renewal: Written 9/1/07

8/7/07

☒ Not Filed

Property & Casualty Transmittal Document—**20. This filing transmittal is part of Company Tracking #** 07-L3228**21. Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

We are filing a rule to merely correct a reference to the NCCI manual rule due to the revisions to their Basic Manual. The NCCI revisions consist of changing the Rule Number and Title relative to Subrogation.

Should you need any additional information regarding this filing, please feel free to contact Kathy Riedy, Underwriting Director at (312) 822-7971.

We respectfully request approval of this filing to be applicable to all policies written on and after September 1, 2007.

22. Filing Fees (Filer must provide check # and fee amount if applicable)
[If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #: N/A
Amount: \$

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

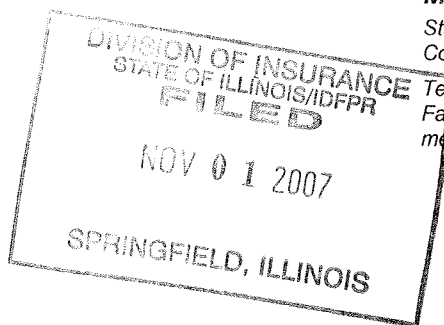
*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

K

CNA Plaza Chicago IL 60685-0001

July 26, 2007

Honorable Michael T. McRaith
Director of Insurance
320 W. Washington St.
Springfield IL 62767



Mercy A. Marasigan

State Filing Analyst

Commercial Lines/37S

Telephone 312-822-6609

Facsimile 312-755-2394

mercedes.marasigan@cna.com

Attn.: Mr. Mark Smith

Re: Workers Compensation & Employers Liability Program (ID#07-R3224)

Rate Company Deviation

THE CONTINENTAL INSURANCE COMPANY 13-5010440 ✓

AMERICAN CASUALTY COMPANY OF READING, PA 23-0342560 ✓

Dear Mr. Smith:

We are proposing to file an active deviation in The Continental Insurance Company, licensed in your state, but no business written in it. This filing is being made in the event we begin to use this company again. In addition, we are proposing to revise the deviation for American Casualty Company of Reading, Pa. All other CNA companies will retain the currently filed deviations with an effective of March 1, 2007 (CNA ID#06-R3293).

The enclosed FILING MEMORANDUM reflects the proposed deviations. Should you desire any additional information regarding this filing, please feel free to call Amanda Castello at (312) 822-5802.

We respectfully request a written date of November 1, 2007.

Please stamp and return the enclosed extra copy of this letter for our records.

Very truly yours,

Mercy A. Marasigan

*Wbc
RAT
O-O
MAS
JER*

Smith, Mark

From: Castello, Amanda M. [Amanda.Castello@cna.com]
Sent: Wednesday, August 01, 2007 10:39 AM
To: Smith, Mark
Subject: CNA WC Filing for 11/1/07 (07-R3224)
Attachments: IL Rate Pages 2007 11 (HC) (revised).xls; IL Filing Memo 2007 11 (revised).doc

Mark,

I have attached a revised copy of our memo and rate pages to replace those originally sent with our 11/1 filing (07-R3224).

Changes include:

Memo: I have deleted all references to companies not affected by this change.

Rate Pages: I have only included rate pages for Continental Insurance Company and American Casualty Company. I have also include the Miscellaneous Values page. The only change is adding "Continental Insurance Company" to the list of companies at the top and to the list of companies and adding "CIC" to the list of companies for premium discount.

<<IL Rate Pages 2007 11 (HC) (revised).xls>> <<IL Filing Memo 2007 11 (revised).doc>>

Please let me know if you have any questions or need more information.

Amanda Castello

Actuarial Analyst

Workers' Compensation Pricing

CNA Insurance

☎ 312-822-5802

✉ amanda.castello@cna.com

E-MAIL CONFIDENTIALITY NOTICE: The contents of this e-mail message and any attachments are intended solely for the addressee(s) and may contain confidential and/or legally privileged information. If you are not the intended recipient of this message or if this message has been addressed to you in error, please immediately alert the sender by reply e-mail and then delete this message and any attachments. If you are not the intended recipient, you are notified that any use, dissemination, distribution, copying, or storage of this message or any attachment is strictly prohibited.

8/1/2007

ILLINOIS SUMMARY SHEET

FORM RF-3

Change in Company's premium or rate level produced by rate revision effective:

11/1/07

(1) Coverage	(2) Annual Premium Volume (Illinois) *	(3) Percent Change (+ or -) **
1 . Automobile Liability		
Private Passenger		
Commercial		
2 . Automobile Physical Damage		
Private Passenger		
Commercial		
3 . Liability Other than Auto		
4 . Burglary and Theft		
5 . Glass		
6 . Fidelity		
7 . Surety		
8 . Boiler and Machinery		
9 . Fire		
10 . Extended Coverage		
11 . Inland Marine		
12 . Homeowners		
13 . Commercial Multi-Peril		
14 . Crop Hail		
15 . Workers Compensation	0	N/A
16 . Other:		

Does filing only apply to certain territory (territories) or certain classes? If so, specify.

Not Applicable

Brief description of filing (if filing follows rates of an advisory organization, specify organization).

We are filing to change our loss cost multipliers in American Casualty Company and file an active loss cost multiplier in The Continental Casualty Company

* In-force Written Premium

** Change in Company's premium level which will result from application of new rates.

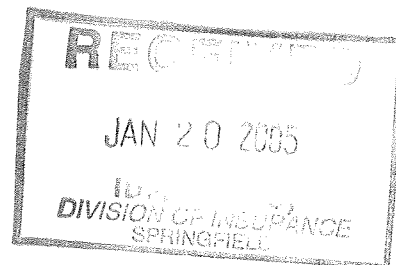
The Continental Insurance Company
Name of Company

Amanda Castello - Actuarial Analyst
Official - Title



CNA Plaza Chicago IL 60685-0001

January 14, 2005



Honorable Anthony Clark
Director of Insurance
320 W. Washington St.
Springfield IL 62767

Mercy A. Marasigan
State Filing Analyst
Commercial Lines/37S
Telephone 312-822-6609
Facsimile 312-755-2394
mercedes.marasigan@cna.com

Attn.: Supervising Insurance Analyst

Re: Workers Compensation & Employers Liability Program (ID#05-R3011)
Adoption of NCCI Voluntary Rates
CONTINENTAL CASUALTY COMPANY 218-20443
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD 218-20478
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA 218-20427
TRANSPORTATION INSURANCE COMPANY 218-20494
TRANSCONTINENTAL INSURANCE COMPANY 218-20486
VALLEY FORGE INSURANCE COMPANY 218-20508
FIDELITY & CASUALTY COMPANY OF NEW YORK 218-35270
THE CONTINENTAL INSURANCE COMPANY 218-35289

Dear Director:

The above named companies are proposing to adopt the NCCI approved voluntary rates as referenced in their Circular IL-2004-05. CNA is not proposing to change its multipliers at this time.

We have enclosed a FILING MEMORANDUM that reflects the current deviation, as well as, the rate for Domestic Terrorism, Earthquakes & Catastrophic Industrial Accidents.

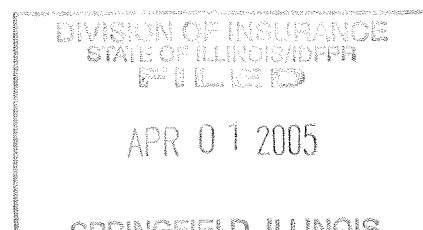
Should you desire any additional information relative to this filing, please feel free to call Drew Yashar, ACAS, MAAA at (312) 822-2614.

We respectfully request an effective date of April 1, 2005 for this filing.

Please stamp and return the enclosed extra copy of this letter for

Very truly yours,

Mercy A. Marasigan



**FILING MEMORANDUM
CNA INSURANCE COMPANIES**

**Continental Casualty Company 218-20443
National Fire Insurance Company of Hartford 218-20478
American Casualty Company of Reading, PA 218-20427
Transportation Insurance Company 218-20494
Transcontinental Insurance Company 218-20486
Valley Forge Insurance Company 218-20508
Fidelity & Casualty Company of New York 218-35270
Continental Insurance Company 218-35289**

**Workers' Compensation Rate Filing
Filing I.D. #05-R3011
State of Illinois**

CNA is filing to adopt the recently approved voluntary rates referenced in NCCI Circular IL-2004-05. We are not filing to change our multipliers at this time, they will therefore remain as indicated below. We respectfully request an **April 1, 2005** effective date.

<u>Company</u>	<u>Current Deviation</u>
American Casualty Company of Reading, PA	-40.0%
Continental Casualty Company	+20.0%
Continental Insurance Company	0.0%
Fidelity & Casualty Insurance Company	+20.0%
National Fire Insurance Company of Hartford	+10.0%
Transcontinental Insurance Company	0.0%
Transportation Insurance Company	+20.0%
Valley Forge Insurance Company	+10.0%

The impact of this deviation change is -0.2%. The appropriate filing forms have been enclosed, along with a copy of CNA's revised manual rate pages.

Concerning the Domestic Terrorism, Earthquakes & Catastrophic Industrial Accidents, we are filing a rate of \$0.02 per \$100 of payroll to be effective April 1, 2005. This is noted on our miscellaneous rate page, which is included in our rate filing.

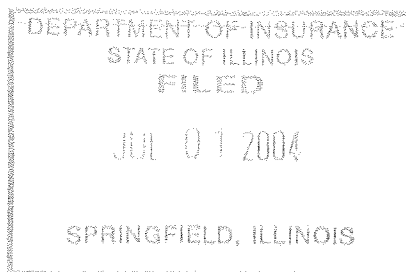
If you have any questions or need additional information, please call Drew Yashar, ACAS, MAAA at (312)-822-2614 or email andrew.yashar@cna.com.



CNA Plaza Chicago IL 60685-0001

March 31, 2004

Honorable Anthony Clark
Director of Insurance
320 W. Washington St.
Springfield IL 62767



Mercy A. Marasigan

State Filing Analyst
Commercial Lines/37S

Telephone 312-822-6609
Facsimile 312-755-2394
mercedes.marasigan@cna.com

Attn.: Supervising Insurance Analyst

Re: Workers Compensation & Employers Liability Program (ID#04-R3102)
Rate Deviations Revision
CONTINENTAL CASUALTY COMPANY 218-20443
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD 218-20478
AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA 218-20427
TRANSPORTATION INSURANCE COMPANY 218-20494
TRANSCONTINENTAL INSURANCE COMPANY 218-20486
VALLEY FORGE INSURANCE COMPANY 218-20508
FIDELITY & CASUALTY INSURANCE COMPANY 048-35270
CONTINENTAL INSURANCE COMPANY 048-35289

Dear Director:

The above named companies are proposing to revise their rate deviations for Workers Compensation And Employers Liability Program.

The final rates will be the product of the selected company deviations multiplied by the January 1, 2004 approved rating values (as referenced in Circular IL-2003-07). The aforementioned company deviations are reflected in the enclosed FILING MEMORANDUM. Also, reflected in this Memorandum is the justification for adding the last two (2) companies referenced above.

Should you desire any additional information regarding this filing, please feel free to call Shane Legleiter at (312) 822-2401.

We respectfully request an effective date July 1, 2004 for this filing.

Please stamp and return the enclosed extra copy of this letter for our records.

Very truly yours,

Mercy A. Marasigan

ILLINOIS SUMMARY SHEET

FORM RF-3

Change in Company's premium or rate level produced by rate revision effective:

7/1/04

(1) Coverage	(2) Annual Premium Volume (Illinois) *	(3) Percent Change (+ or -) **
1 . Automobile Liability		
Private Passenger		
Commercial		
2 . Automobile Physical Damage		
Private Passenger		
Commercial		
3 . Liability Other than Auto		
4 . Burglary and Theft		
5 . Glass		
6 . Fidelity		
7 . Surety		
8 . Boiler and Machinery		
9 . Fire		
10 . Extended Coverage		
11 . Inland Marine		
12 . Homeowners		
13 . Commercial Multi-Peril		
14 . Crop Hail		
15 . Workers Compensation	0	NA
16 . Other:		

Does filing only apply to certain territory (territories) or certain classes? If so, specify.

Not Applicable

Brief description of filing (if filing follows rates of an advisory organization, specify organization).

CNA is filing to revise its company deviations.

Company specific deviations, if applicable, are noted in the filing memorandum.

* In-force Written Premium

** Change in Company's premium level which will result from application of new rates.

Continental Insurance Company

Name of Company

Shane Legleiter - Actuarial Analyst

Official - Title

CNA PERSONAL INSURANCE

120 S. Riverside Plaza 5th Floor Chicago IL 60606

November 27, 2000

Ms. Kathi Armstrong
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
ATTN: Property and Casualty Compliance Section

RE: Universal Security Policy Portfolio
Personal Property Rate/Rule Filing 00-R0158

Continental Insurance Company
Fidelity & Casualty
Glens Falls Insurance Company
National Ben Franklin Insurance Company

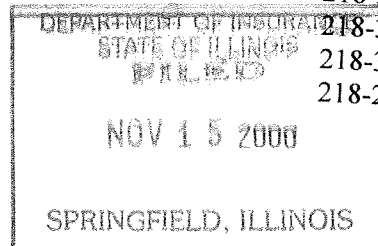
Mary Gregory

Actuarial Analyst
Personal Lines Pricing

Telephone 312-224-7008

Facsimile 312-224-7084

Internet mary.gregory@encompassins.com



218-35289

218-35270

218-34622

218-20893

Dear Ms. Armstrong:

Please see the following responses to your letter dated November 15, 2000.

1. **In further review of your filing, it will not be necessary that you remove kerosene stoves and space heaters from your list of ineligible exposures for dwelling fire. Section 143.10c applies only to homeowners insurance. Please submit your revised homeowners manual page to complete this filing.**

The revised manual page is included. We have also removed trampolines from our list of ineligible exposures due to the introduction of a trampoline surcharge.

If you have any questions regarding this response, please contact me via phone or email.

Sincerely,

Mary Gregory

Mary Gregory

November 15, 2000

Continental Insurance Company
120 South Riverside Plaza, 5th Floor
Chicago, Illinois 60606

Attention: Mary Gregory
Actuarial Analyst
Personal Lines Pricing

Re: Universal Security Policy Portfolio
Personal Property Rate/Rule
Filing 00-R0158

Dear Ms. Gregory:

The Department is in receipt of your letter dated November 10, 2000 regarding the above captioned submission.

In further review of your filing, it will not be necessary that you remove kerosene stoves and space heaters from your list of ineligible exposure for dwelling fire. Section 143.10c applies only to homeowners insurance. Please submit your revised homeowners manual page to complete this filing.

A prompt response will be appreciated.

Very truly yours,

Kathi Armstrong
Insurance Analyst
P & C Compliance Unit
(217) 524-8379

KA:tt

CNA PERSONAL INSURANCE

120 S. Riverside Plaza 5th Floor Chicago IL 60606

November 10, 2000

Ms. Kathi Armstrong
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
ATTN: Property and Casualty Compliance Section

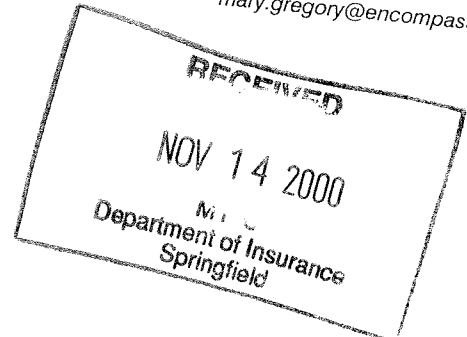
Mary Gregory

Actuarial Analyst
Personal Lines Pricing

Telephone 312-224-7008

Facsimile 312-224-7084

Internet mary.gregory@encompassins.com



RE: Universal Security Policy Portfolio
Personal Property Rate/Rule Filing 00-R0158

Continental Insurance Company
Fidelity & Casualty
Glens Falls Insurance Company
National Ben Franklin Insurance Company

218-35289
218-35270
218-34622
218-20893

Dear Ms. Armstrong:

Please see the following responses to your letter dated November 1, 2000.

1. Your Form RF-3 does not indicate your annual premium volume.

All of our premium in Illinois is written in National Ben Franklin. Currently, we have no business in Fidelity & Casualty, Glens Falls Insurance Company, and Continental Insurance Company. Therefore, there is no premium volume to include for these three companies on the Form RF-3.

2. Each line of coverage experiencing a rate change with this filing must have its own completed RF-3.

We have included the premiums and percent changes for each line of coverage experiencing a rate change. Please see the attached RF-3 Forms.

3. Remove kerosene stoves and space heaters from your list of ineligible exposures for Homeowners and Dwelling Fire. This is in violation of 215 ILCS 5/ 143.10c.

We will amend as requested.

4. What are the Gold, Silver, and Youthful Surcharges and how are they applied?

To qualify for the Youthful Surcharge, the operator must be 24 years of age or younger. The Silver Select Surcharge applies to those operators who qualify for our Silver Select Auto tier and the Gold Surcharge applies to those operators who qualify for our Gold Auto tier, with

Need manual page

CNA Personal Insurance
Illinois USP Personal Property

the exception of operators under age 21. Please see the attached Auto Underwriting Guidelines for the appropriate tier requirements. Where applicable, these surcharges are added to the Motor Vehicle Excess Liability rates.

If you have any questions regarding this response, please contact me via phone or email.

Sincerely,

Mary Gregory

Mary Gregory

November 01, 2000

Continental Insurance Company
120 S. Riverside Plaza, 5th Floor
Chicago, Illinois 60606

Attention: Mary Gregory
Actuarial Analyst
Personal Lines Pricing

Re: Universal Security Policy Portfolio
Personal Property Rate/Rule Filing 00-R0158

Dear Ms. Gregory:

The Department is in receipt of your letter dated October 25, 2000 regarding the above-captioned submission.

Your Form RF-3 does not indicate your annual premium volume.

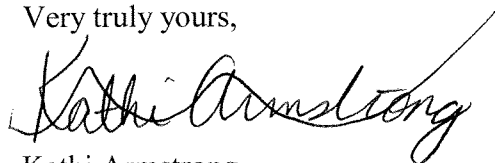
Each line of coverage experiencing a rate change with this filing must have its own completed RF-3.

Remove kerosene stoves and space heaters from your list of ineligible exposures for Homeowners and Dwelling Fire. This is in violation of 215 ILCS 5/143.10c.

What are the Gold, Silver and Youthful Surcharges and how are they applied?

Upon receipt of your response, further consideration will be given to this filing.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kathi Armstrong", with a long, sweeping horizontal line extending from the end of the name.

Kathi Armstrong
Insurance Analyst
P & C Compliance Unit
(217) 524-8379

CNA PERSONAL INSURANCE

120 S. Riverside Plaza 5th Floor Chicago IL 60606

October 25, 2000

Honorable Nat Shapo
Director of Insurance
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
ATTN: Property and Casualty Compliance Section

RE: Universal Security Policy Portfolio
Personal Property Rate/Rule Filing 00-R0158

Continental Insurance Company
Fidelity & Casualty
Glens Falls Insurance Company
National Ben Franklin Insurance Company

Mary Gregory
Actuarial Analyst
Personal Lines Pricing
Telephone 312-224-7008
Facsimile 312-224-7084
Internet mary.gregory@cna.com

RECEIVED

OCT 27 2000

Department of Insurance
Springfield

+0.1%

218-35289
218-35270
218-34622
218-20893

Dear Mr. Shapo:

The aforementioned CNA companies submit the captioned filing to be used with our Universal Security Policy (USP) Portfolio personal property programs for policies effective on or after November 15, 2000. The total impact of these revisions is +1.0%.

Please see the attached memorandum for a complete description of changes.

Your early attention to this filing would be appreciated. If you have any questions regarding this filing, please feel free to contact me via phone or email.

Upon review, please stamp and return the extra-enclosed copy of this letter for our records.

Sincerely,

Mary Gregory

TABLE OF CONTENTS

- I. Property Rate and Rule Changes**
 - A. Summary of Property Changes
 - B. Exhibits
 - II. Homeowners Statewide Rate Level Indications**
 - A. Overview of Homeowners Indication Methodology
 - B. Calculation of Statewide Rate Level Indication
 - C. Premium and Loss Adjustments in Detail
 - D. Catastrophe Adjustments in Detail
 - E. Expense and Profit Load Support
 - III. Manual Rate and Rule Pages**
-

SECTION IA. SUMMARY OF PROPERTY CHANGES

The intent of this filing is to make the following revisions:

1. **Base Rates** – All programs will adopt revised base rates as shown on the rate pages.
 2. **Age of Dwelling Factors** – All programs will adopt revised age of dwelling discount factors. The overall impact of these changes is –0.8%.
 3. **Loss Surcharge** – All programs will adopt revised loss surcharge factors. The overall impact of these changes is +0.5% for both Scheduled Personal Property and residence exposures. This surcharge does not apply to catastrophes or losses under \$500.
 4. **Policy Amount Relativities** – All programs will adopt revised policy amount relativity factors. The overall impact of these changes is –0.2% for homeowners and 0% for condominium owners. 2 curves?
 5. **Excess Liability Rates** – All programs will adopt a revised Silver Select surcharge and introduce a Gold surcharge. All programs will also adopt revised rates. The overall impact of these changes is +6.9%.
 6. **SPP Rates** – All programs will adopt revised jewelry rates. The overall impact is +0.1%.
 7. **Improved Protection Class Rule** – All programs will adopt a revised Suburban Rating Rule. Please see the manual pages for details.
 8. **Dwelling Fire** – All programs will adopt revised dwelling factors and ACV factor. The overall impact is +13.4%.
 9. **Builders Risk** – All programs will introduce Builders Risk. This coverage is optional.
 10. **Homework Supplement** – All programs will adopt a revised price for the Homework Supplement.
 11. **Lifestyle Endorsement** – All programs will adopt a revised Lifestyle Endorsement to include Identity Theft Coverage.
 12. **Trampoline Surcharge** – All programs will introduce a Trampoline Surcharge.
 13. **Territory Redefinitions** – All programs will adopt revised territory definitions.
-

SECTION IB. EXHIBITS

The chart below summarizes the cumulative impact of all aforementioned changes:

TOTAL (ALL PROGRAMS)			
COVERAGE	PREM DISTR	INDICATED RATE LEVEL CHANGE	RATE LEVEL CHANGE
Homeowners (HO 2,3)	69.9%		+0.1%
Renters (HO 4)	4.4%		+3.4%
Condos (HO 6)	2.9%		+3.4%
Dwellings	77.2%	+25.3%	+0.1%
SPP	9.7%		+0.1%
Earthquake	1.7%		0.0%
Umbrella	3.3%		+7.8%
Dwelling	4.9%		+12.4%
Other	3.3%		0.0%
All Other	22.8%	-33.0%	+3.8%
Total OTA	100.0%	+16.0%	+1.0%

CNA PERSONAL INSURANCE

ILLINOIS CNA RISK PROFILE SUMMARY - AUTO

Underwriting Characteristics	Platinum Plus	Platinum	Gold	Silver Select
Insurance Bureau Scoring	Platinum Plus/Significantly Above Average	Platinum/Above Average	Gold/Average	Silver Select/Below Average Credit*** (See Note Below)
Driver Experience	All Household Drivers ≥ 5 years	No Restrictions	No Restrictions	No Restrictions
Accidents and Minor Violations (3 Year History)	Maximum Combined Household Activity 0 Incidents*	Maximum Vehicle Level Activity 1 Incident For Drivers < 5 Years Experience, 0 Incident	Maximum Vehicle Level Activity 2 Incidents, Including : ⇒ No More Than 1 Accident; and, ⇒ For Drivers < 5 Years Experience, No More Than 1 Incident	Maximum Level Activity 3 Incidents, Including: ⇒ No More than 2 Accidents; and, ⇒ For Drivers < 5 Years Experience, No More Than 2 Incidents, Including No More than 1 At-fault Accident.
Maximum Incidents Per Household	0	4	6	6
Major Violations (10 Year History)	0	0	1 if > 5 Years old and meets all other Platinum criteria; No additional major violations on record.	1 in 5 years if ≥ 5 Years Experience; 0 for drivers with < 5 Years Experience; No additional major violations on record.
OTC Losses ≥ \$500	Maximum Combined Household Activity 1	Maximum Combined Household Activity 1	Maximum Combined Household Activity 3	Maximum Combined Household Activity 4
Vehicle Type**	Prohibited Vehicle List Ineligible	Prohibited Vehicle List Ineligible	Prohibited Vehicle List Ineligible	Prohibited Vehicle List Ineligible
Prior Insurance	Continuous Standard Insurance	Continuous Standard Insurance	Continuous Standard Insurance	Insurance in the past 30 days

* Incidents include accidents (both at-fault and non-fault) and violations (minor and major).

** Prohibited Vehicles Aston Martin, Avanti, Bentley, Bricklin, Cobra, DeLorean, Dodge Viper, Excaltur, Ferrari, Hummer, Jenson Interceptor, Lamborghini, Lancia Scorpion, Lotus, Maserati, Morgan, Pantera, Rolls Royce, TVR, Zimmer and all Modified Vehicles.

***Silver Select/Below Average Credit: Only acceptable if all other criteria meet the Platinum Guidelines.

Experience Period: Although the experience period is only 3 years, the overall driving record will be considered, including frequency of incidents greater than 3 years.

AG-130795-D (6-00)

Effective: 11/15/00

CNA PERSONAL INSURANCE

120 S. Riverside Plaza 5th Floor Chicago IL 60606

Mary Gregory

Actuarial Analyst
Personal Lines Pricing

Telephone 312-224-7008

Facsimile 312-224-7084

Internet mary.gregory@cna.com

October 25, 2000

Honorable Nat Shapo
Director of Insurance
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767
ATTN: Property and Casualty Compliance Section

RE: Universal Security Policy Portfolio
Personal Automobile Rate/Rule Filing 00-R0157

Continental Insurance Company
Fidelity & Casualty
Glens Falls Insurance Company
National Ben Franklin Insurance Company

218-35289
218-35270
218-34622
218-20893

Dear Mr. Shapo:

The aforementioned CNA companies submit the captioned filing to be used with our Universal Security Policy (USP) Portfolio automobile programs for policies effective on or after November 15, 2000. The total impact of these revisions is +4.0%.

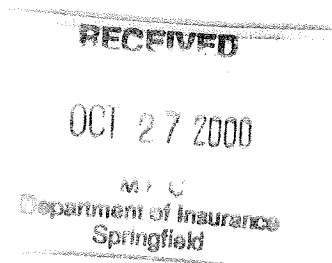
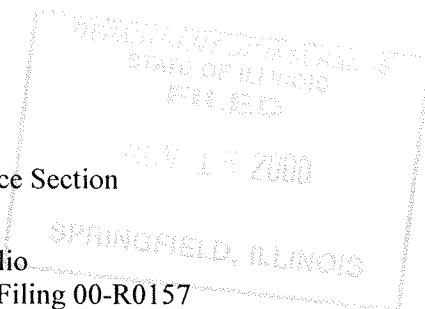
Please see the attached memorandum for a complete description of changes.

Your early attention to this filing would be appreciated. If you have any questions regarding this filing, please feel free to contact me via phone or email.

Upon review, please stamp and return the extra-enclosed copy of this letter for our records.

Sincerely,

Mary Gregory



SECTION IA. SUMMARY OF CHANGES (CONT.)

The rate effects shown above include those due to the following changes:

1. **Base Rates** - All programs will adopt revised base rates as shown on the rate pages.
 2. **Model Year/Symbol Tables** - All programs will adopt revised model year and symbol factor tables for Comprehensive and Collision coverages, using 2000 as the base model year instead of 1999.
 3. **Deductible Factors** - All programs will adopt revised deductible factors for the Comprehensive and Collision coverages. The overall impact of these changes is +0.4% for Comprehensive and +0.7% for Collision.
 4. **Liability Increased Limits Factors** - All programs will adopt revised ILF for Bodily Injury, Property Damage, Combined Single Limit (BI), and Combined Single Limit (PD) coverages. The overall impact of these changes is +1.4%, +0.7%, +1.2%, and +0.9%, respectively.
 5. **Tier Factors** - All programs will adopt revised Gold and Silver Select tier factors. The overall impact of this change is +0.0%.
 6. **Driving Record Points** - All programs will adopt a revised definition of a one-point major violation. Convictions for speeding in excess of 25MPH over the posted speed limit, instead of 15MPH, will be assigned one point.
 7. **Class Plan Factors** - All programs will adopt revised primary class plan factors for senior operators aged 65+. The overall impact of this change is -3.5% for Comprehensive coverage and -3.6% for all other coverages.
 8. **Package Discount** - All programs will adopt a revised segment factor. Also, we have removed the package discount where the supporting property is a renters policy. The overall impact of this change is +2.2%.
 9. **UM/UIM Rates** - All programs will adopt revised Uninsured/Underinsured Motorists base rates as shown on the rate pages.
 10. **Multicar Discount** - All programs will adopt a revised multi-car discount.
 11. **Loss Threshold** - All programs will adopt a revised loss threshold for miscellaneous vehicles.
 12. **Territory Redefinitions** - All programs will adopt revised territorial definitions.
 13. **Tier Placement for Youthful Operators** - Youthfuls aged 16-20 are now eligible for the Platinum Tier. The overall impact is estimated at -1.0%.
-

CNA PERSONAL INSURANCE

120 S. Riverside Plaza, Suite 500, Chicago IL 60606

Alice Guevara, CPCU

Director of Classic Autos and Boats

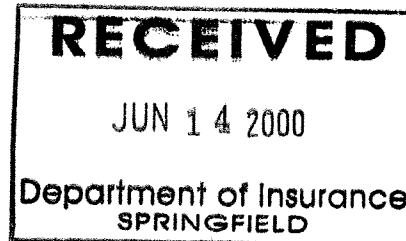
Telephone 312-224-7047

Facsimile 312-224-7048

Internet alice.guevara@cna.com

June 12, 2000

Ms. Dee Caruso
Insurance Analyst
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767-0001



Re: Continental Insurance Group Program
Rule Filing Revision ID #00-R0086
Personal Auto Liability and Physical Damage
Classic Automobile Program
Continental Insurance Company 218-35289

Dear Ms. Caruso:

The Department recently approved our Classic Auto Rate/Rule filing, under filing reference number 00-R0001. We would like to withdraw one of the rule changes as it was inadvertently filed and is not compatible with this program.

State Exception Rule 12. I. Additional Insured/Lease Coverage should be withdrawn for use with this program. We have enclosed revised State Exception page 6 that shows that this rule has been withdrawn.

We ask that this filing become effective July 1, 2000 or as soon as state statutes permit. Upon approval, please stamp and return the extra enclosed copy of this letter for our record. Should you have any questions regarding these revisions please contact me at (312) 224-7047.

Sincerely,

Alice Guevara, CPCU
Director of Classic Autos

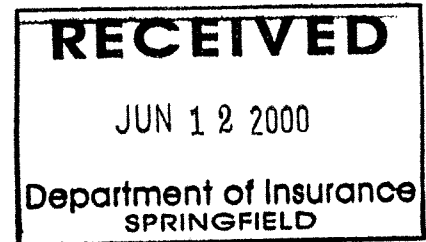
CNA PERSONAL INSURANCE

120 S. Riverside Plaza – 5th Floor, Chicago IL 60606

Jaclyn Anderson
Filing Analyst
CNA Personal Insurance
Telephone: 312-224-7483
Facsimile: 312-224-7084
Internet: jacquelyn.anderson@cna.com

June 9, 2000

Ms. Dee Caruso
Insurance Analyst
Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767



Re: Universal Security Portfolio Program - ID# 00-I0055
Informational Letter
Rate/Rule
GLENS FALLS INSURANCE COMPANY

218-34622

Dear Ms. Caruso:

As you know, CNA Personal Insurance (CNAPI) is currently operating under 13 insurance companies controlled by the CNA Financial Corporation (CNA). To facilitate the sale of CNA Personal Insurance to The Allstate Corporation (AllCorp), CNAPI intends to consolidate its operations into five insurance companies. The companies are (1) The Glens Falls Insurance Company, (2) Commercial Insurance Company of Newark, NJ, (3) Kansas City Fire & Marine Insurance Company, (4) National-Ben Franklin Insurance Company of IL, and (5) The Mayflower Insurance Company, Ltd. AllCorp, or one of its affiliates, has an option to purchase these companies as of January 1, 2002.

This informational letter is being sent to your department of insurance as stated in our filings (ID# 99-R0228) in which we established the go forward underwriting companies at the current level of coverage and price as our current underwriting companies.

To facilitate the company consolidation, we will be moving our insureds from their current companies to the go forward companies. The chart below is a summary of the company movement activity that will result from this filing. In each case the proposed company will have the same rates, rules and forms as the current company. Therefore, there will be no policyholder rate or coverage impact as a result of this filing.

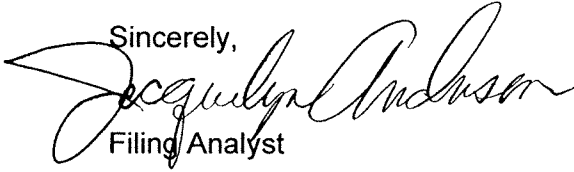
CURRENT COMPANY	GO FORWARD COMPANY
Continental Insurance Company	Glens Falls Insurance Company
Fidelity & Casualty Company of NY	Glens Falls Insurance Company
National-Ben Franklin Insurance Co. of IL	National-Ben Franklin Insurance Co. of IL

We intend to implement this company conversion for policies effective 11/1/2000 and subsequent.

Should you have any questions, please contact **Cheryl Korpus** at (312) 224-7482.

Please stamp and return the extra copy of this letter for our record of receipt of this informational letter. A stamped, self-addressed envelope is enclosed for your convenience.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jacquelyn Anderson". The signature is written in black ink and is positioned over the typed name and title.

Filing Analyst

CNA PERSONAL INSURANCE

120 S. Riverside Plaza, Suite 500, Chicago IL 60606

Alice Guevara, CPCU

Director of Classic Autos and Boats

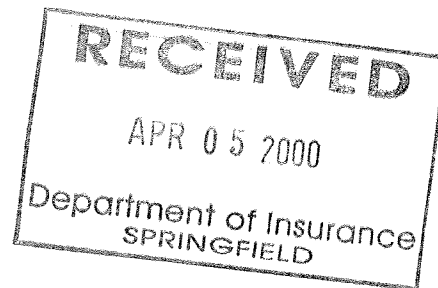
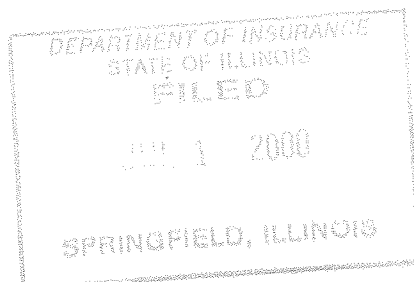
Telephone 312-224-7047

Facsimile 312-224-7084

Internet alice.guevara@cna.com

March 30, 2000

Honorable Nat Shapo.
Director of Insurance
Illinois Department of Insurance
320 East Washington Street
Springfield, IL 62767



Attn: Mr. Frank Weaver
Supervising Insurance Analyst

Re: Continental Insurance Group Program
Rate/Rule Filing Revision 00-R0001
Personal Auto Liability and Physical Damage
Classic Automobile Program
Continental Insurance Company 218-35289

Dear Commissioner:

The Continental Insurance Company would like to file the following rate/rule revisions to its Classic Automobile Program. This Program was approved by the Department in 1998. Our filing revisions are as follows:

Several new optional coverages are introduced. The State Exceptions pages have been revised to amend General Rule 12 Optional Coverages to reference these new coverages. The charges for these coverages are contained in rating rule page RATES – 5. Please refer to State Exception Rule page 2 and rating rule page RATES – 5 for items 1 through 3 below.

1. Introducing a Pre-War Vehicle Policy Discount. A premium credit is available to policies with pre-war vehicles driven less than 500 miles annually. The discount is applied to the pre-war vehicle's physical damage. This discount recognizes that due to the age of these vehicles, many of them are driven less than 500 miles a year and warrants a premium reduction.
2. Introducing Special Events Coverage. For an additional premium charge, physical damage coverage is available for a vehicle used in or at a special driving event such as performance driving schools.
3. Introducing Custom Paint. Additional coverage is afforded for loss or damage to exterior paint for reproduction model vehicles.

General Rule 12 Optional Coverages, items H., I. and J., contain rules for use of the Loss Payable Clause and Additional Insured endorsements.

See attached rate page RATES – 1 for items 4 through 8 below. We estimate the overall rate impact of these revisions to be less than +2.0%.

4. Revising our Uninsured Motorists rates. We are proposing to increase UM rates by \$1 and \$18 for limits of \$500,000 and \$1,000,000 respectively.
5. We are proposing to increase UIM rates by \$1, \$4, and \$22 for limits of \$300,000; \$500,000; and \$1,000,000 respectively.
6. Revising our CSL \$1,000,000 rate. We are proposing to increase this rate by \$20, from \$70 to \$90.
7. Introducing CSL rates for basic limits. This recognizes that some classic auto insureds only desire to carry minimum limits. Offering basic CSL limits is also consistent where an insured carries only basic limits on his regular private passenger auto policy. Our proposed rate for \$40,000 CSL is \$25.
8. Introducing a \$4 charge for the \$1,000 limit of medical payments coverage.

We request that this filing become effective July 1, 2000. Upon approval, please stamp and return the extra enclosed copy of this letter for our record. Should you have any questions regarding these revisions please contact me at (312) 822-3750.

Sincerely,



Alice Guevara, CPCU
Director of Classic Autos

c:\mydocuments\lldoi0700R.doc

CNA PERSONAL INSURANCE

CNA Plaza 33 South Chicago IL 60685-0001

Eric C. Hassel, ACAS

Actuarial Manager
Actuarial - 33 South

Telephone 312-822-5979

Facsimile 312-755-2467

Internet eric.hassel@cna.com

March 6, 2000

Honorable Nat Shapo
Director of Insurance
Illinois Department of Insurance
320 West Washington St.
Springfield, IL 62767

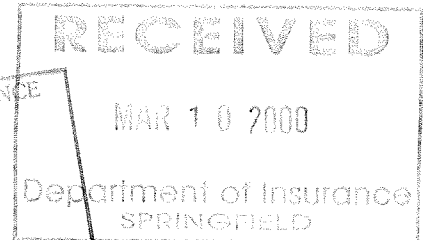
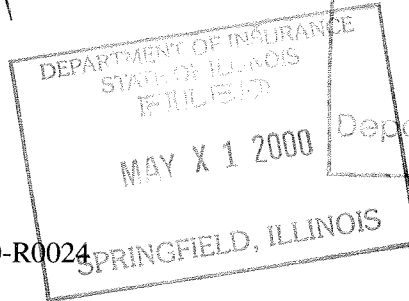
2.0 RF-3

Attn: Mr. Frank Weaver
Supervising Insurance Analyst

RE: Universal Security Policy Portfolio
Personal Property Rate/Rule Filing 00-R0024

Continental Insurance Company
Fidelity & Casualty Insurance Company
Glens Falls Insurance Company
National Ben Franklin Insurance Company

218-35289
218-35270
218-34622
218-20893



Dear Mr. Weaver:

The aforementioned CNA Personal Insurance companies submit the captioned filing to be used with our Universal Security Policy (USP) Portfolio property programs for policies effective on or after May 1, 2000. The total impact of these revisions is +2.9%.

Please see the attached memorandum for a complete description of changes.

Your early attention to this filing would be appreciated. If you have any questions regarding this filing, please feel free to contact me via phone or email.

Upon review, please stamp and return the extra-enclosed copy of this letter for our records.

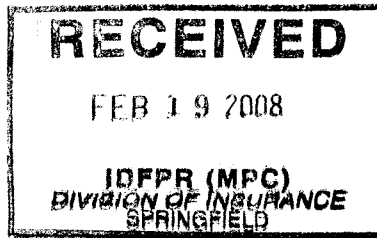
Sincerely,

A handwritten signature in cursive script that reads "Eric C. Hassel".

Eric C. Hassel



40 Wall Street - 9th Floor
New York, New York 10005



State Filing Analyst
P & C State Filing Unit
CNA Global Specialty Lines

Telephone 212-440-3478
Facsimile 212-440-2877
Toll Free 877-269-3277 x3478
Internet Robert.alonzo@cna.com

February 14, 2008

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF INSURANCE
PROPERTY AND CASUALTY COMPLIANCE UNIT
320 W WASHINGTON ST
SPRINGFIELD IL 62767-0001

RE: **CONTINENTAL CASUALTY COMPANY** NAIC#: 218-20443 FEIN#: 36-2114545 ✓
CONTINENTAL INSURANCE COMPANY NAIC #: 218-35289 FEIN#: 13-5010440 ✓
Doctors (Physicians & Surgeons) Professional Liability
Rates/Rules
OUR FILE NO. : 08-R2206

To Whom It May Concern:

With this rate revision filing for Continental Casualty Company, we also are proposing to adopt the revised rates/rules for The Continental Insurance Company ("CIC") as well. Please refer to the Actuarial Memorandum, along with exhibits reflecting changes proposed by this program; and the applicable revised manual pages. This filing was last approved under our filing No.: 05-R2085.

We propose that this filing become applicable to all policies written on or after March 15, 2008 or the earliest date permitted by your state.

Very truly yours,

Robert Alonzo

Robert Alonzo
State Filing Analyst

Handwritten notes and signature:
10
Jeh

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Monday, October 26, 2009 2:53 PM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206
Attachments: 01 IL F540 - CCC updated (2).pdf; 01 IL F540 - CIC updated (2).pdf

Ms. Neuman,

Attach please find rev RF-3 Form

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, October 22, 2009 11:24 AM
To: Alonzo, Robert A.
Subject: RE: Rate/Rule Filing #08-R2206

Mr. Alonzo,

In reviewing the actuarial changes made, it appears the change is now a 56.8% decrease. Please forward a RF-3 Summary Sheet indicate the new amount with the 10/20/09 effective date.

Thank you for your assistance.

Gayle Neuman
 Department of Insurance

From: Alonzo, Robert A. [mailto:Robert.Alonzo@CNA.com]
Sent: Thursday, October 22, 2009 8:22 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206

October 20, 2009 will be fine.

Thank you.

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, October 22, 2009 9:16 AM
To: Alonzo, Robert A.
Subject: Rate/Rule Filing #08-R2206

Mr. Alonzo,

The Department has completed its review of the above referenced filing. When originally submitted, you requested an effective date of March 15, 2008. Is that the effective date that was used? If not, what date was used? The Director signed off on this filing on October 20, 2009.

Your prompt attention is appreciated.

Gayle Neuman

Illinois Department of Insurance
 Property & Casualty Compliance
 (217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

THIS MESSAGE IS INTENDED FOR THE SOLE USE OF THE ADDRESSEE AND MAY BE CONFIDENTIAL, PRIVILEGED AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAWS. IF YOU RECEIVE THIS MESSAGE IN ERROR, PLEASE DESTROY IT AND NOTIFY US BY SENDING AN E-MAIL TO: GAYLE.NEUMAN@ILLINOIS.GOV.

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10/27/2009

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Thursday, August 28, 2008 7:48 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206
Attachments: IL Complete Certifications.pdf

Dear Ms. Neuman:

In response to your request, here are the updated certifications. We apologize for the delay.

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, July 29, 2008 9:38 AM
To: Alonzo, Robert A.
Subject: Rate/Rule Filing #08-R2206

Mr. Alonzo,

We were provided with certification forms. However, one form lists both companies but does not list both FEINs. Please submit another certification for both insurance companies that is signed by the company officer and authorized actuary.

Your prompt attention is appreciated.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (<http://www.idfpr.com/>) by clicking on: Insurance; Industry; Regulatory; IS3 Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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E-MAIL CONFIDENTIALITY NOTICE: The contents of this e-mail message and any attachm addressee(s) and may contain confidential and/or legally privileged information. If intended recipient of this message or if this message has been addressed to you in immediately alert the sender by reply e-mail and then delete this message and any are not the intended recipient, you are notified that any use, dissemination, distr storage of this message or any attachment is strictly prohibited.

8/28/2008

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Thursday, October 22, 2009 8:22 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206

October 20, 2009 will be fine.

Thank you.

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, October 22, 2009 9:16 AM
To: Alonzo, Robert A.
Subject: Rate/Rule Filing #08-R2206

Mr. Alonzo,

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Your prompt attention is appreciated.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

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10/22/2009

Neuman, Gayle

From: Neuman, Gayle
Sent: Thursday, October 22, 2009 10:24 AM
To: 'Alonzo, Robert A.'
Subject: RE: Rate/Rule Filing #08-R2206

Mr. Alonzo,

In reviewing the actuarial changes made, it appears the change is now a 56.8% decrease. Please forward a RF-3 Summary Sheet indicate the new amount with the 10/20/09 effective date.

Thank you for your assistance.

Gayle Neuman
Department of Insurance

From: Alonzo, Robert A. [mailto:Robert.Alonzo@CNA.com]
Sent: Thursday, October 22, 2009 8:22 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206

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Thank you.

Robert ALonzo

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Sent: Thursday, October 22, 2009 9:16 AM
To: Alonzo, Robert A.
Subject: Rate/Rule Filing #08-R2206

Mr. Alonzo,

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Your prompt attention is appreciated.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

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10/22/2009

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 3/15/2008

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Med Mal</u>	0	0%
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify: See Actuarial Memo

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): See Actuarial Memo

*Adjusted to reflect all prior rate changes.

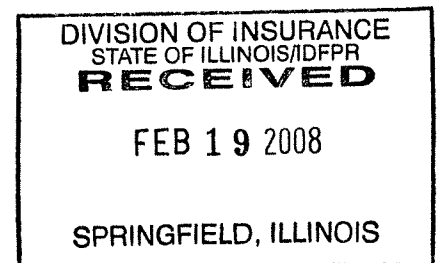
**Change in Company's premium level which will result from application of new rates.

Continental Casualty Company

Name of Company

Jean K. Fleischner - Vice President

Official - Title



ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 3/15/2008

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability Private Passenger Commercial		
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12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Med Mal</u>	0	0%
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify: N/A New Program

Brief description of filing. (If filing follows rates of an advisory organization, specify organization): See Actuarial Memo

*Adjusted to reflect all prior rate changes.

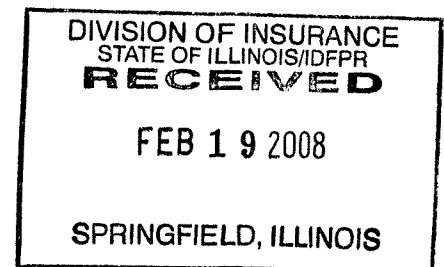
**Change in Company's premium level which will result from application of new rates.

The Continental Insurance Company

Name of Company

Jean K. Fleischner - Vice President

Official - Title



ILLINOIS CERTIFICATION FOR
MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Sharon K. Robinson, a duly authorized officer of Continental Casualty Company, am authorized to certify on behalf of the company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

I, Sharon K. Robinson, a duly authorized actuary of Continental ~~INSURANCE~~ Company, am authorized to certify on behalf of Continental Casualty Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

Sharon K Robinson Vice President & Actuary
Signature and Title of Authorized Insurance Company Officer

2-11-08
Date

Sharon K Robinson Vice President & Actuary
Signature and Title of Authorized Actuary

2-11-08
Date

Insurance Company FEIN 36 - 2114545

Filing Number 08-R2206

Insurer's Address 40 Wall Street - 9th Fl

City New York, State NY Zip Code 10005

Contact Person's:

- Name and E-mail Robert Alonzo robert.alonzo@cna.com

- Direct Telephone and Fax Number 212-440-3478 Fax 212-440-2877

ILLINOIS CERTIFICATION FOR
MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Sharon K. Robinson, a duly authorized officer and actuary of Continental Casualty Company, am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject of this filing.

Sharon K. Robinson 2-11-08
Sharon K. Robinson, FCAS, MAAA Date
Vice President & Actuary

Insurance Company FEIN 36-2114545 Filing Number 08-R2206

Insurer's Address 40 Wall Street - 9th Floor

City NEW YORK State NY Zip Code 10005

Contact Person's:

-Name and E-mail Robert Alonzo - robert.alonzo@cna.com

-Direct Telephone and Fax Number 212-440-3478 Fax: 212-440-2877

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 10/20/2009

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability Private Passenger Commercial		
2. Automobile Physical Damage Private Passenger Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Med Mal</u>	<u>0</u>	<u>-56.8%</u>
Line of Insurance		

Does filing only apply to certain territory (territories) or certain classes? If so, specify: N/A New ProgramBrief description of filing. (If filing follows rates of an advisory organization, specify organization): See Actuarial MemoPhysicians / Surgeons - changes to rates, classes, territories

*Adjusted to reflect all prior rate changes.

**Change in Company's premium level which will result from application of new rates.

The Continental Insurance Company

Name of Company

Jean K. Fleischner - Vice President

Official - Title

RECEIVED

OCT 26 2009

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

FILING# 08-R2206

-update of RF-3 w/ 3-15-08 date

ILLINOIS DEPARTMENT OF INSURANCE

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective 10/20/2009

(1) <u>Coverage</u>	(2) <u>Annual Premium Volume (Illinois)*</u>	(3) <u>Percent Change (+ or -)**</u>
1. Automobile Liability Private Passenger Commercial		
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Brief description of filing. (If filing follows rates of an advisory organization, specify organization): See Actuarial Memo

Physicians / Surgeons - changes to rates, classes, territories

*Adjusted to reflect all prior rate changes.

**Change in Company's premium level which will result from application of new rates.

Continental Casualty Company

Name of Company

Jean K. Fleischner - Vice President

Official - Title

RECEIVED

OCT 26 2009

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

FILING # 08-R2206

— update of RF-3 w/3-15-08 date

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Tuesday, October 28, 2008 11:50 AM
To: Neuman, Gayle
Subject: Rate/Rule Filing #08-R2206 Follow-up
Attachments: IL 08-R2206 PHYSUR Resp # 3-Follow Up 10-28-08.pdf; IL PPL 2008 Pages - Rev 10-28-08.pdf

Dear Ms. Neuman:

In the process of completing the response to a recent objection for the corresponding form filing [State Tracking No. CNAC-125487735], we discovered a typographical error in the Illinois State Rate/Exception Pages.

Please see attach:

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10/29/2008



40 Wall Street - 9th Floor
New York, New York 10005

State Filing Analyst
P & C State Filing Unit
CNA Global Specialty Lines

October 28, 2008

Telephone 212-440-3478
Facsimile 212-440-2877
Toll Free 877-269-3277 x3478
Internet Robert.alonzo@cna.com

MS. GAYLE NEUMAN
ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF INSURANCE
PROPERTY AND CASUALTY COMPLIANCE UNIT
320 W WASHINGTON ST
SPRINGFIELD IL 62767-0001

RE: CONTINENTAL CASUALTY COMPANY NAIC#: 218-20443 FEIN#: 36-2114545
CONTINENTAL INSURANCE COMPANY NAIC #: 218-35289 FEIN#: 13-5010440
Doctors (Physicians & Surgeons) Professional Liability
Rates/Rules
OUR FILE NO. : 08-R2206

Dear Ms. Neuman:

In the process of completing the response to a recent objection for the corresponding form filing [State Tracking No. CNAC-125487735] we discovered a typographical error in the Illinois State Rate/Exception Pages.

Under Item H.2. we now specify that the factors in the following table shall be applied to the expiring annual premium. This rule now matches the amendatory endorsement submitted under State Tracking No. CNAC-125487735.

Updated Illinois State Rate/Exception Pages are attached.

Thank you.

Very truly yours,

Robert Alonzo

Robert Alonzo
State Filing Analyst

Neuman, Gayle

From: Stern, Adrienne H. [Adrienne.Stern@CNA.com]
Sent: Thursday, August 21, 2008 12:58 PM
To: Neuman, Gayle
Cc: Alonzo, Robert A.; Cortina, Kristine; Mahon, Cheryl
Subject: FW: Rate/Rule Filing #08-R2206 (Illinois)

Ms. Neuman:

I just followed up with the actuary this morning on this item. The officer required to sign the two certification forms is out of the office and is expected to return on Tuesday August 26th. The actuary will forward the two certification forms to me as soon as they are signed.

I hope that this is acceptable to you.

Thank you.

Adrienne Stern

Product Compliance Analyst

GSL - Legal Services

Phone: 212-440-3268

Fax: 212-440-2877

adrienne.stern@cna.com

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From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, August 21, 2008 11:51 AM
To: Alonzo, Robert A.
Subject: FW: Rate/Rule Filing #08-R2206

Mr. Alonzo,

I have received no response to the 7/29/08 e-mail below. We request your immediate attention.

Gayle Neuman
Division of Insurance

From: Neuman, Gayle
Sent: Tuesday, July 29, 2008 8:38 AM
To: 'Alonzo, Robert A.'
Subject: Rate/Rule Filing #08-R2206

Mr. Alonzo,

We were provided with certification forms. However, one form lists both companies but does not list both FEINs. Please submit another certification for both insurance companies that is signed by the company officer and authorized actuary.

8/21/2008

Your prompt attention is appreciated.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (<http://www.idfpr.com/>) by clicking on: Insurance; Industry; Regulatory; IS3 Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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8/21/2008

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Thursday, August 21, 2008 10:52 AM
To: Neuman, Gayle
Subject: Out of Office AutoReply: Rate/Rule Filing #08-R2206

I will be out the office the week of Aug. 18, 2008, and returning on Monday Aug. 25, 2008.

Please contact Micaah Morris @ 212-440-2319

Thanks.

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8/21/2008

Neuman, Gayle

From: Alonzo,Robert A. [Robert.Alonzo@CNA.com]
Sent: Friday, July 25, 2008 3:01 PM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206

Dear Ms. Neuman:

Thank you for your correspondence via SERFF dated July 24, 2008. Please note our following response to the issue you raised.

Objection: I have an additional question on this filing. On page 10 of the Illinois State Rate/Exception Pages, codes 80999, 80715, 80610, and 80611 are listed. Please explain how you determine the amount of premium that will charged for these risks.

Response:

Codes 80999, 80610, and 80611 will be charged premium in accordance with Illinois state exception pages Section D. Corporation/Partnership/Professional Association.

Code 80715, Medical Laboratory, will be charged premium in accordance with Illinois state exception pages Section E. Optional Coverages.

Thank you.

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, July 24, 2008 3:41 PM
To: Alonzo,Robert A.
Subject: RE: Rate/Rule Filing #08-R2206

Mr. Alonzo,

I have an additional question on this filing. On page 10 of the Illinois State Rate/Exception Pages, codes 80999, 80715, 80610, and 80611 are listed. Please explain how you determine the amount of premium that will charged for these risks.

Gayle Neuman
Division of Insurance

From: Alonzo,Robert A. [mailto:Robert.Alonzo@CNA.com]
Sent: Thursday, July 24, 2008 1:25 PM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206

Dear Ms. Neuman:

Thank you for your email dated July 17, 2008. Please note our following response to the issues you raised.

7/28/2008

1. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If a stat agency is used, please indicate which one?

Response: We report statistics to ISO.

2. As this filing is not being submitted for American Casualty Company of Reading, PA or National Fire Insurance Company of Hartford, why are their names still referenced on the cover page?

Response: The cover page is for the countrywide pages. In some states these companies are used, so their names are on the cover sheet to the countrywide pages for use in such states.

3. Under XII. Extended Reporting Period Coverage, paragraph A. should read "The limits OF liability...". Additionally, paragraph D. indicates installment payments can be arranged for at the company's discretion. Please explain what factors would prohibit the company from offering such installment payments.

Response: Wording has been revised to reflect "the limits of liability", please see the revised countrywide pages. A statement has been added to the Illinois state exception pages reflecting that we will offer the installment payment option.

4. On the State Rate/Exception pages under C. Individual Risk Rating Plan, it states accounts generating more than \$100,000 manual premium at \$100,000/\$300,000 limits are considered to be unique and will be (a) rated. As a neurology surgeon in Cook County could be charged over \$99,000 for such coverage, please explain how this is a unique risk. Please explain what factor would be applied in the "a" rating.

Response: This rule's intent is to allow for a large account with a credible loss history to be used as a compliment to the manual rating process. A large group of family practitioners, for example, may have enough loss experience on its own to be credible for a rate analysis.

5. On the State Rate/Exception pages under I. Quarterly Installment Option, additional wording is required indicating the second, third, and fourth installments are due 3, 6, and 9 months from policy inception, respectively;

Response: This rule has been added as sub-item e. of rule I. Quarterly Installment Option. Please see the revised Illinois state exception pages.

6. On the State Rate/Exception pages, page 9 list various ancillary medical personnel. You cannot determine what amount will be charged to each medical specialty listed. Please advise.

Response: Classes that did not have rates assigned to them have been removed.

Please see the revised Illinois state exception pages.

Thank you

Robert Alonzo - CNA

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7/28/2008



Continental Casualty Company & The Continental Insurance Company

Company pages found in this manual shall apply to this program subject to the following:

General Rule XII, sub-item D. is deleted in its entirety and replaced by the following:

Premium must be paid promptly when due. Premium may be paid in advance, or be paid in three annual installments.

A. Medical Practitioners - Claims-Made Rates: (at \$100,000/\$300,000 Limits of Liability)

Territory I: Cook, Madison, St. Clair, Will, and Jackson Counties

Class	Step Rates				
	1	2	3	4	5
1A	2,815	5,119	6,825	7,508	8,532
1	4,022	7,313	9,751	10,726	12,188
2A	4,827	8,776	11,701	12,871	14,626
2	5,631	10,238	13,651	15,016	17,064
3	7,240	13,163	17,551	19,306	21,939
4A	8,849	16,088	21,451	23,596	26,814
4	11,262	20,476	27,302	30,032	34,127
5	13,273	24,133	32,177	35,395	40,221
6	14,480	26,327	35,102	38,612	43,878
7	24,535	44,609	58,478	65,426	74,348
8	32,981	59,966	79,955	87,950	99,943

Territory II: DuPage, Kane, Lake, McHenry, Winnebago, and Vermillion Counties

Class	Step Rates				
	1	2	3	4	5
1A	2,200	3,999	5,332	5,866	6,665
1	3,142	5,713	7,618	8,379	9,522
2A	3,771	6,856	9,141	10,055	11,426
2	4,399	7,999	10,665	11,731	13,331
3	5,656	10,284	13,712	15,083	17,140
4A	6,913	12,569	16,759	18,435	20,948
4	8,798	15,997	21,329	23,462	26,662
5	10,370	18,854	25,138	27,652	31,423
6	11,312	20,568	27,423	30,166	34,279
7	19,168	34,851	46,468	51,114	58,084
8	25,767	46,848	62,465	68,711	78,081



Continental Casualty Company & The Continental Insurance Company

Territory III: Champaign, Grundy, Kankakee, LaSalle, Macon, Sangamon, Bureau, Coles, Dekalb, Effingham, Ogle, and Randolph Counties

Class	Step Rates				
	1	2	3	4	5
1A	1,716	3,119	4,159	4,575	5,199
1	2,451	4,456	5,942	6,536	7,427
2A	2,941	5,348	7,130	7,843	8,913
2	3,431	6,239	8,318	9,150	10,398
3	4,412	8,021	10,695	11,765	13,369
4A	5,392	9,804	13,072	14,379	16,340
4	6,863	12,478	16,637	18,301	20,796
5	8,088	14,706	19,608	21,569	24,510
6	8,824	16,043	21,390	23,529	26,738
7	14,951	27,184	36,245	39,869	45,306
8	20,098	36,542	48,722	53,595	60,903

Territory IV: Remainder of State

Class	Step Rates				
	1	2	3	4	5
1A	1,342	2,440	3,253	3,578	4,066
1	1,917	3,485	4,647	5,111	5,808
2A	2,300	4,182	5,576	6,134	6,970
2	2,684	4,879	6,505	7,156	8,132
3	3,450	6,273	8,364	9,201	10,455
4A	4,217	7,667	10,223	11,245	12,779
4	5,367	9,758	13,011	14,312	16,264
5	6,325	11,501	15,334	16,868	19,168
6	6,900	12,546	16,728	18,401	20,910
7	11,692	21,259	28,345	31,180	35,432
8	15,718	28,578	38,103	41,914	47,629

A 25% credit shall be applied to the medical practitioners' rate if the Limits of Liability are shared with all medical practitioners within a Corporation or Partnership.

B. Scheduled Rating Modification Plan

The maximum permissible modification of the Professional Liability premium(s) under the Schedule Rating Modification Plan is $\pm 40\%$.

C. Individual Risk Rating Plan:

Accounts generating more than \$100,000 in manual premium at \$100,000/300,000 limits of liability are to be considered unique and unusual and will be (a)rated. Proper documentation as to the determination of such rate will be maintained in the underwriting file.

D. Corporation/Partnership/Professional Association Charge:

1. If on a separate limit of liability basis, the rate is computed, per Corporation/Partnership/Professional Association, as up to 20% of the total developed professional liability premium for each practitioner and ancillary person charged a rate.



Continental Casualty Company & The Continental Insurance Company

2. If a solo-practitioner desires coverage for the corporation/partnership/professional association, coverage can be provided for no additional premium charge, in which case the practitioner and the corporation/partnership/association share in the limit of liability.

E. Optional Coverages:

Coverage

Rate

1. All Insureds:

First Aid Coverage Endorsement

Included

Medical Laboratory

25% of the Class 1 rate.

F. Ancillary Personnel - Claims-Made Rates

1. The following ancillary personnel may be added to the Corporation policy (Individual Physicians policy if no Corporation) as additional named insureds at the premium shown below. Limits of Liability must be equal those of the Corporation (Individual Physicians) and shall apply separately to each individual:

Territory I: Cook, Madison, St. Clair, Will and Jackson Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	603	1,097	1,463	1,609	1,828
H/L Perfusionist	724	1,316	1,755	1,931	2,194
Nurse Midwife	4,907	8,922	11,896	13,085	14,870
Nurse Anesthetist	1,207	2,194	2,925	3,218	3,656
Nurse Practitioners	248	451	601	661	751

Territory II: DuPage, Kane, Lake, McHenry, Winnebago, and Vermillion Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	989	1,798	2,398	2,637	2,997
H/L Perfusionist	1,187	2,158	2,877	3,165	3,597
Nurse Midwife	8,044	14,626	19,501	21,451	24,376
Nurse Anesthetist	1,978	3,597	4,795	5,275	5,994
Nurse Practitioners	248	451	601	661	751



**Medical Practitioners
State Rate/Exception Pages
Illinois (12)**

Continental Casualty Company & The Continental Insurance Company

Territory III: Champaign, Grundy, Kankakee, LaSalle, Macon, Sangamon, Bureau, Coles, Dekalb, Effingham, Ogle, and Randolph Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	1,265	2,299	3,066	3,372	3,832
H/L Perfusionist	1,518	2,759	3,679	4,047	4,599
Nurse Midwife	10,286	18,702	24,936	27,429	31,170
Nurse Anesthetist	2,529	4,599	6,132	6,745	7,665
Nurse Practitioners	248	451	601	661	751

Territory IV: Remainder of State

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	288	523	697	767	871
H/L Perfusionist	345	627	836	920	1,046
Nurse Midwife	2,338	4,252	5,669	6,236	7,086
Nurse Anesthetist	575	1,046	1,394	1,533	1,743
Nurse Practitioners	248	451	601	661	751

- A 25% credit shall be applied to the ancillary personnel rate if the Limits of Liability are shared with the Corporation (Individual Physicians).
- The following ancillary personnel may be added to the Corporation policy as additional insureds at no additional charge, provided that Limits of Liability are on a shared basis:

All other under Code 80998
(Audiologist, Medical Aide,
R.N., L.P.N., Psychologist,
Research Ph.D.)
Full Time Medical Students
Medical Laboratory Technician
O.R. Technician (Code 80998)
Optometrist/Optician

Pharmacists

Physiotherapists
Dental Hygienist
Scrub Nurse (Code 80998)
X-Ray Technician
with/without Therapy



Continental Casualty Company & The Continental Insurance Company

G. Increased Limits:

<i>Desired Limit</i>	<i>Increase Factor</i>
\$100,000/300,000	1.00
\$500,000/1,000,000	1.76
1,000,000/1,000,000	2.09
1,000,000/3,000,000	2.15
{Higher Limits are available - Refer to Company.}	

H. Extended Reporting Period:

1. **Automatic Extended Reporting Period**

There is no additional premium charge for this coverage

2. **Optional Extended Reporting Period**

The additional premium for the optional extended reporting period shall be based on the rates for such coverage in effect on the date the Policy terminated.

The factors in the following table shall be applied to the expiring annual premium:

Years of Prior Claims Made Coverage	Installment Factors			Prepaid Factors
	1st Year	2nd Year	3rd Year	
1	.36	.34	.28	0.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

3. **Death or Disability Extended Reporting Period**

There is no additional premium charge for this coverage.

4. **Retirement Extended Reporting Period**

- A. There is no additional premium charge for this coverage, provided that retirement takes place during the policy period and the insured is:
1. age 55 or older and has been insured by us for at least 5 years of claims-made coverage; or
 2. any age and has been insured by us for at least 10 years of claims-made coverage.



Continental Casualty Company & The Continental Insurance Company

- B. The Retirement Extended Reporting Period coverage will be granted with the following discounts, provided the above rule does not apply, and retirement takes place subject to the following schedule:

<u>Years of Continuous Coverage with a CNA Company</u>	<u>Premium Discount</u>
9	90%
8	80%
7	70%
6	60%
5	50%
4	40%
3	30%
2	20%
1	10%

- Years of coverage must be with a CNA group company on a Claims-Made basis.

I. Quarterly Installment Option

Section F. Premium Payment Plan of the company pages is deleted in its entirety and replaced with the following:

The company will offer to the Named Insured a premium payment option as follows:

- Each quarterly premium payment will be 25% of the total annual premium;
- There will be no interest charges;
- There will be quarterly installment charges equal to the lesser of 1% of the total annual premium or \$25.00;
- Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.
- Second, third, and fourth quarterly premium payments will be due three, six, and nine months, respectively, after policy inception.



Continental Casualty Company & The Continental Insurance Company

J. Medical Practitioners Classifications

Each medical practitioner is assigned a classification code according to their medical specialty. When more than one classification is applicable, the highest rate classification shall apply.

Class 1A -

<u>Medical Specialty</u>	<u>Code</u>
Administrative Medicine	80178
Allergy/Immunology	80254
Diabetes - no surgery	80237
Forensic or Legal Medicine	80240
General Preventive Medicine	80231
Nephrology - no surgery	80260
Ophthalmology - no surgery	80263
Pathology - All Other	80266
Preventive Medicine - no surgery - Aerospace Medicine	80230
Preventive Medicine - no surgery - Occupational Medicine	80233
Preventive Medicine - no surgery - Public/General Health Medicine	80236
Psychiatry - All Other	80249

Class 1 -

<u>Medical Specialty</u>	<u>Code</u>
Cardiovascular Disease - no surgery	80255
Dermatology - no surgery	80256
Diabetes - minor surgery	80271
Endocrinology - no surgery	80238
Family/General Practice - no surgery	80420
Gastroenterology - no surgery	80241
Geriatrics - no surgery	80243
Gynecology - no surgery	80244
Hematology - no surgery	80245
Hospitalists	80222
Infectious Disease	80246
Internal Medicine - no surgery	80257
Neoplastic Diseases - no surgery	80259
Nephrology - minor surgery	80287
Nuclear Medicine	80262
Nutritionist	80248
Oncology - no surgery	80302
Otorhinolaryngology - no surgery	80265
Pathology - Cytopathology	80292
Pediatrics - no surgery	80267
Pharmacology - clinical	80234
Physical Medicine and Rehabilitation - All Other	80235
Physicians - no surgery - NOC	80268
Preventive Medicine - no surgery - Undersea/Hyperbaric Medicine	80139
Pulmonary Diseases - no surgery	80269
Rheumatology - no surgery	80252
Sports Medicine - no surgery	80205
Urgent Care Medicine	80424
Urology - no surgery	80121



Continental Casualty Company & The Continental Insurance Company

Class 2A -

<u>Medical Specialty</u>	<u>Code</u>
Anesthesiology - All Other	80181

Class 2 -

<u>Medical Specialty</u>	<u>Code</u>
Dermatology - minor surgery	80282
Endocrinology - minor surgery	80272
Family/General Practice - minor surgery - excluding obstetrics	80421
Gastroenterology - minor surgery	80274
Gynecology - minor surgery	80277
Intensive Care Medicine	80283
Internal Medicine - minor surgery	80284
Neurology - including child - no surgery - All Other	80261
Ophthalmology - minor surgery	80289
Otorhinolaryngology - minor surgery	80291
Phys. - no major surgery - Acupuncture	80437
Phys. - no major surgery - Angiography, Arteriography, Catheterization	80422
Phys. - no major surgery - Colonoscopy, ERCP, esophageal dilation	80443
Phys. - no major surgery - Discograms, Myelography, Pneumoenceph.	80428
Phys. - no major surgery - Lymphangiography, Phlebography	80434
Phys. - no major surgery - Needle Biopsy	80446
Phys. - no major surgery - Radiopaque Dye	80449
Phys. - no major surgery - Shock Therapy	80431
Physicians - minor surgery - NOC	80294
Physicians or Surgeons Assistants	80116
Radiology - Diagnostic	80253
Radiology - Therapeutic	80359
Surgery - Ophthalmology	80114
Urology - minor surgery	80120

Class 3 -

<u>Medical Specialty</u>	<u>Code</u>
Anesthesiology - Chronic Pain Management	80182
Bronco - Esophagology	80101
Cardiovascular Disease - minor surgery	80281
Dermatology - All Other	80297
Neonatology - non-critical care	80804
Podiatrists - below the ankle	80993
Radiology - Diagnostic - Including Interventional	80280
Radiology - Therapeutic - Including Interventional & Radiation TX	80358
Surgery - Colon & Rectal	80115
Surgery - Maxillofacial	80210
Surgery - Otorhinolaryngology	80159
Surgery - Pediatric	80180
Surgery - Urological	80145



Continental Casualty Company & The Continental Insurance Company

Class 4A –

<u>Medical Specialty</u>	<u>Code</u>
Emergency Medicine - no major surgery	80102
Podiatrists - above the ankle	80993a
Surgery - Gastroenterology	80104

Class 4 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Family/General Practice - Incl. OB	80117
Surgery - General - Excluding Bariatric	80143
Surgery - Gynecology	80167
Surgery - Neoplastic Diseases/Oncology	80107

Class 5 –

<u>Medical Specialty</u>	<u>Code</u>
Emergency Medicine - including major surgery	80157
Neonatology - critical care	80804a
Surgery - Abdominal	80166
Surgery - Hand	80169
Surgery - Head and Neck	80170
Surgery - Orthopedic - excluding spine	80154
Surgery - Plastic - NOC	80156
Surgery - Plastic - Otorhinolaryngology	80155
Surgery - Trauma	80171

Class 6 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Cardiac	80141
Surgery - Cardiovascular Disease	80150
Surgery - Orthopedic - including spine	80154a
Surgery - Thoracic	80144
Surgery - Vascular	80146

Class 7 –

<u>Medical Specialty</u>	<u>Code</u>
Perinatology	80804b
Surgery - General - Including Bariatric	80143a
Surgery - Obstetrics - Gynecology	80153

Class 8 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Neurology - including child	80152



Continental Casualty Company & The Continental Insurance Company

Ancillary Medical Personnel

The following medical personnel have been assigned the specialty classification codes as shown:

<u>Medical Specialty</u>	<u>Code</u>
Heart/Lung Perfusionist	80945
Nurse Midwife	80962
Nurse Practitioner	80998
Nurse Anesthetist	80960
Paramedics	80116
Physician Assistant	80116
Scrub Nurse/Operating Room Technician:	
1. whose duties require them to assist & remain in the O.R. for a surgical procedure.	80116
2. whose duties are to set up the O.R., but who do not remain in O.R. during a procedure.	80998
Surgeon Assistant	80116

Additional Classifications (Corporation/Partnership/Professional Association):

Corporation/Partnership/Professional Association	80999
Medical Laboratory	80715

The following classifications identify additional potential exposures applicable to each individual Group Practice. These classifications require prior underwriting approval by the Company.

Clinical Surgery Center	80610
Emergency Room	80610
Medical Facility	80610 / 80611

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Thursday, August 28, 2008 7:48 AM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206
Attachments: IL Complete Certifications.pdf

Dear Ms. Neuman:

In response to your request, here are the updated certifications. We apologize for the delay.

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, July 29, 2008 9:38 AM
To: Alonzo, Robert A.
Subject: Rate/Rule Filing #08-R2206

Mr. Alonzo,

We were provided with certification forms. However, one form lists both companies but does not list both FEINs. Please submit another certification for both insurance companies that is signed by the company officer and authorized actuary.

Your prompt attention is appreciated.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (<http://www.idfpr.com/>) by clicking on: Insurance; Industry; Regulatory; IS3 Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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8/28/2008

ILLINOIS CERTIFICATION FOR
MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Sharon K. Robinson, a duly authorized officer of The Continental Insurance Company, am authorized to certify on behalf of the company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

I, Sharon K. Robinson, FCAS, MAAA, a duly authorized actuary of The Casualty Actuarial Society, am authorized to certify on behalf of The Continental Insurance Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

Sharon K Robinson VP & Actuary - Pricing 8-27-08
Signature and Title of Authorized Insurance Company Officer Date

Sharon K Robinson VP & Actuary - Pricing 8-27-08
Signature and Title of Authorized Actuary Date

Insurance Company FEIN 13 - 5010440 Filing Number 08-R2206

Insurer's Address 40 Wall Street - 9th Fl

City New York State NY Zip Code 10005

Contact Person's:

- Name and E-mail Robert Alonzo robert.alonzo@cna.com

- Direct Telephone and Fax Number 212-440-3478 Fax 212-440-2877

ILLINOIS CERTIFICATION FOR
MEDICAL MALPRACTICE RATES

(215 ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Sharon K. Robinson, a duly authorized officer of Continental Casualty Company, am authorized to certify on behalf of the company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

I, Sharon K. Robinson, FCAS, MAAA, a duly authorized actuary of The Casualty Actuarial Society, am authorized to certify on behalf of Continental Casualty Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are subject to this filing.

Sharon K. Robinson VP, Actuary - Pricing 8-5-08
Signature and Title of Authorized Insurance Company Officer Date

Sharon K. Robinson VP, Actuary - Pricing 8-5-08
Signature and Title of Authorized Actuary Date

Insurance Company FEIN 36 - 2114545 Filing Number 08-R2206

Insurer's Address 40 Wall Street -9th Fl

City New York State NY Zip Code 10005

Contact Person's:

- Name and E-mail Robert Alonzo robert.alonzo@cna.com

- Direct Telephone and Fax Number 212-440-3478 Fax 212-440-2877

Neuman, Gayle

From: Stern, Adrienne H. [Adrienne.Stern@CNA.com]
Sent: Thursday, August 21, 2008 12:58 PM
To: Neuman, Gayle
Cc: Alonzo, Robert A.; Cortina, Kristine; Mahon, Cheryl
Subject: FW: Rate/Rule Filing #08-R2206 (Illinois)

Ms. Neuman:

I just followed up with the actuary this morning on this item. The officer required to sign the two certification forms is out of the office and is expected to return on Tuesday August 26th. The actuary will forward the two certification forms to me as soon as they are signed.

I hope that this is acceptable to you.

Thank you.

Adrienne Stern
Product Compliance Analyst
GSL - Legal Services
Phone: 212-440-3268
Fax: 212-440-2877
adrienne.stern@cna.com

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From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, August 21, 2008 11:51 AM
To: Alonzo, Robert A.
Subject: FW: Rate/Rule Filing #08-R2206

Mr. Alonzo,

I have received no response to the 7/29/08 e-mail below. We request your immediate attention.

Gayle Neuman
Division of Insurance

From: Neuman, Gayle
Sent: Tuesday, July 29, 2008 8:38 AM
To: 'Alonzo, Robert A.'
Subject: Rate/Rule Filing #08-R2206

Mr. Alonzo,

We were provided with certification forms. However, one form lists both companies but does not list both FEINs. Please submit another certification for both insurance companies that is signed by the company officer and authorized actuary.

8/21/2008

Your prompt attention is appreciated.

Gayle Neuman
Property & Casualty Compliance, Division of Insurance
Illinois Department of Financial & Professional Regulation
(217) 524-6497

Please refer to the Property and Casualty Review Requirement Checklists before submitting any filing. The checklists can be accessed through the Department's website (<http://www.idfpr.com/>) by clicking on: Insurance; Industry; Regulatory; IS3 Review Requirements Checklists; Property Casualty IS3 Review Requirements Checklists.

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Gayle.Neuman@illinois.gov

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8/21/2008

Neuman, Gayle

From: Alonzo,Robert A. [Robert.Alonzo@CNA.com]
Sent: Thursday, August 21, 2008 10:52 AM
To: Neuman, Gayle
Subject: Out of Office AutoReply: Rate/Rule Filing #08-R2206

I will be out the office the week of Aug. 18, 2008, and returning on Monday Aug. 25, 2008.

Please contact Micaah Morris @ 212-440-2319

Thanks.

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Neuman, Gayle

From: Alonzo,Robert A. [Robert.Alonzo@CNA.com]
Sent: Friday, July 25, 2008 3:01 PM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206

Dear Ms. Neuman:

Thank you for your correspondence via SERFF dated July 24, 2008. Please note our following response to the issue you raised.

Objection: I have an additional question on this filing. On page 10 of the Illinois State Rate/Exception Pages, codes 80999, 80715, 80610, and 80611 are listed. Please explain how you determine the amount of premium that will charged for these risks.

Response:

Codes 80999, 80610, and 80611 will be charged premium in accordance with Illinois state exception pages Section D. Corporation/Partnership/Professional Association.

Code 80715, Medical Laboratory, will be charged premium in accordance with Illinois state exception pages Section E. Optional Coverages.

Thank you.

Robert Alonzo

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Thursday, July 24, 2008 3:41 PM
To: Alonzo,Robert A.
Subject: RE: Rate/Rule Filing #08-R2206

Mr. Alonzo,

I have an additional question on this filing. On page 10 of the Illinois State Rate/Exception Pages, codes 80999, 80715, 80610, and 80611 are listed. Please explain how you determine the amount of premium that will charged for these risks.

Gayle Neuman
Division of Insurance

From: Alonzo,Robert A. [mailto:Robert.Alonzo@CNA.com]
Sent: Thursday, July 24, 2008 1:25 PM
To: Neuman, Gayle
Subject: RE: Rate/Rule Filing #08-R2206

Dear Ms. Neuman:

Thank you for your email dated July 17, 2008. Please note our following response to the issues you raised.

7/28/2008

1. Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If a stat agency is used, please indicate which one?

Response: We report statistics to ISO.

2. As this filing is not being submitted for American Casualty Company of Reading, PA or National Fire Insurance Company of Hartford, why are their names still referenced on the cover page?

Response: The cover page is for the countrywide pages. In some states these companies are used, so their names are on the cover sheet to the countrywide pages for use in such states.

3. Under XII. Extended Reporting Period Coverage, paragraph A. should read "The limits OF liability...". Additionally, paragraph D. indicates installment payments can be arranged for at the company's discretion. Please explain what factors would prohibit the company from offering such installment payments.

Response: Wording has been revised to reflect "the limits of liability", please see the revised countrywide pages. A statement has been added to the Illinois state exception pages reflecting that we will offer the installment payment option.

4. On the State Rate/Exception pages under C. Individual Risk Rating Plan, it states accounts generating more than \$100,000 manual premium at \$100,000/\$300,000 limits are considered to be unique and will be (a) rated. As a neurology surgeon in Cook County could be charged over \$99,000 for such coverage, please explain how this is a unique risk. Please explain what factor would be applied in the "a" rating.

Response: This rule's intent is to allow for a large account with a credible loss history to be used as a compliment to the manual rating process. A large group of family practitioners, for example, may have enough loss experience on its own to be credible for a rate analysis.

5. On the State Rate/Exception pages under I. Quarterly Installment Option, additional wording is required indicating the second, third, and fourth installments are due 3, 6, and 9 months from policy inception, respectively;

Response: This rule has been added as sub-item e. of rule I. Quarterly Installment Option. Please see the revised Illinois state exception pages.

6. On the State Rate/Exception pages, page 9 list various ancillary medical personnel. You cannot determine what amount will be charged to each medical specialty listed. Please advise.

Response: Classes that did not have rates assigned to them have been removed.

Please see the revised Illinois state exception pages.

Thank you

Robert Alonzo - CNA

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7/28/2008

Neuman, Gayle

From: Alonzo, Robert A. [Robert.Alonzo@CNA.com]
Sent: Tuesday, October 28, 2008 11:50 AM
To: Neuman, Gayle
Subject: Rate/Rule Filing #08-R2206 Follow-up
Attachments: IL 08-R2206 PHYSUR Resp # 3-Follow Up 10-28-08.pdf; IL PPL 2008 Pages - Rev 10-28-08.pdf

Dear Ms. Neuman:

In the process of completing the response to a recent objection for the corresponding form filing [State Tracking No. CNAC-125487735], we discovered a typographical error in the Illinois State Rate/Exception Pages.

Please see attach:

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10/29/2008



40 Wall Street - 9th Floor
New York, New York 10005

State Filing Analyst
P & C State Filing Unit
CNA Global Specialty Lines

October 28, 2008

Telephone 212-440-3478
Facsimile 212-440-2877
Toll Free 877-269-3277 x3478
Internet Robert.alonzo@cna.com

MS. GAYLE NEUMAN
ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF INSURANCE
PROPERTY AND CASUALTY COMPLIANCE UNIT
320 W WASHINGTON ST
SPRINGFIELD IL 62767-0001

RE: CONTINENTAL CASUALTY COMPANY NAIC#: 218-20443 FEIN#: 36-2114545
CONTINENTAL INSURANCE COMPANY NAIC #: 218-35289 FEIN#: 13-5010440
Doctors (Physicians & Surgeons) Professional Liability
Rates/Rules
OUR FILE NO. : 08-R2206

Dear Ms. Neuman:

In the process of completing the response to a recent objection for the corresponding form filing [State Tracking No. CNAC-125487735] we discovered a typographical error in the Illinois State Rate/Exception Pages.

Under Item H.2. we now specify that the factors in the following table shall be applied to the expiring annual premium. This rule now matches the amendatory endorsement submitted under State Tracking No. CNAC-125487735.

Updated Illinois State Rate/Exception Pages are attached.

Thank you.

Very truly yours,

Robert Alonzo

Robert Alonzo
State Filing Analyst



Continental Casualty Company & The Continental Insurance Company

G. Increased Limits:

<i>Desired Limit</i>	<i>Increase Factor</i>
\$100,000/300,000	1.00
\$500,000/1,000,000	1.76
1,000,000/1,000,000	2.09
1,000,000/3,000,000	2.15
{Higher Limits are available - Refer to Company.}	

H. Extended Reporting Period:

1. Automatic Extended Reporting Period

There is no additional premium charge for this coverage

2. Optional Extended Reporting Period

The additional premium for the optional extended reporting period shall be based on the rates for such coverage in effect on the date the Policy terminated.

The factors in the following table shall be applied to the mature claims-made rate in effect at the inception of the last claims-made policy.

Years of Prior Claims Made Coverage	Installment Factors			Prepaid Factors
	1st Year	2nd Year	3rd Year	
1	.36	.34	.28	0.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

3. Death or Disability Extended Reporting Period

There is no additional premium charge for this coverage.

4. Retirement Extended Reporting Period

- A. There is no additional premium charge for this coverage, provided that retirement takes place during the policy period and the insured is:
1. age 55 or older and has been insured by us for at least 5 years of claims-made coverage; or
 2. any age and has been insured by us for at least 10 years of claims-made coverage.

Continental Casualty Company
The Continental Insurance Company
Physicians & Surgeons Professional Liability

Actuarial Memorandum
Illinois

With this rate filing, Continental Casualty Company (CCC) proposes several changes to its Physicians & Surgeons Professional Liability program in the State of Illinois. All changes are proposed with an effective date of March 1, 2008. The proposed changes are:

Changes to State Pages

1. Base Rate

CCC proposes a base rate decrease of 59.2%. CCC has written limited premium under this program in Illinois in recent years. Therefore, the indicated rate change was not calculated based upon CCC's historical experience, but rather based on the filed rates of a competitor, ISMIE Mutual Insurance Company ("ISMIE"). Exhibits 1 through 6 show this competitor rate comparison and analysis. Exhibits 1 through 4 show the calculation of the proposed rates. As shown in the exhibits, ISMIE's current rates are adjusted for the difference in expenses, the difference in class plans and trend to July 1st, 2007, the date of the analysis, in order to determine the indicated rate.

Exhibit A derives the proposed base rate change. Rows 1-3 derive CNA's overall rate need. Rows 4-9 calculate the impact of the class plan and territory changes described below. Row 10 calculates the proposed base rate change required to reflect the overall rate need (row 3), the class plan impact (row 6), and the territory change impact (row 9).

2. Class Plan

A new class plan with an average impact of 4.5% is proposed. Because of CCC's limited written premium under this program in recent years, the proposed class plan is based on a recent study by Tillinghast, consulting business of Towers Perrin. Tillinghast used data from a sampling of insurers of physicians professional liability coverage to produce indicated physician and surgeon specialty relativities. Exhibit C shows the proposed change in CCC's class plan and the overall impact on average rates. As mentioned above, Exhibit A adjusts the indicated base rate from Exhibit 1 for the proposed class plan changes to maintain the same average rate from the competitor analysis.

3. Territories

After reviewing the territories and relativities of competitors ISMIE and MedPro, CCC proposes a few territory changes. Jackson County has been moved from Territory III to Territory I. Winnebago County has been moved from Territory IV to Territory II. Vermillion County has been moved from Territory III to Territory II.

Grundy, Bureau, Coles, Dekalb, Effingham, Ogle, and Randolph Counties have moved from Territory IV to Territory III. This change has an average impact of 1.2%, as shown in Exhibit D.

4. Ancillary Personnel Rates

CCC is proposing new base rates for ancillary personnel. CCC derives the base rates for ancillary personnel, except for Nurse Practitioners, by applying a relativity to the physician and surgeons base rates. In the past, these relativities have varied widely from state to state. In order to make these relativities more consistent across the country and updated to reflect CCC's new class plan, we are adjusting our ancillary personnel relativities in Illinois. For Nurse Practitioners, CCC has selected a base rate consistent with the Nurse Practitioner rates filed for our Nurse and Allied Healthcare Facilities program. See Exhibit E for impact of this change by class.

5. Medical Practitioners Shared Limits

The following has been added to Rule A. *Medical Practitioners – Claims-Made Rates*:

A 25% credit shall be applied to the medical practitioners' rate if the Limits of Liability are shared with all medical practitioners within a Corporation or Partnership.

6. Ancillary Personnel Shared Limits

The following has been added to Rule E. *Ancillary Personnel – Claims-Made Rates*:

2. A 25% credit shall be applied to the ancillary personnel rate if the Limits of Liability are shared with the Corporation (Individual Physicians).

7. Ancillary Personnel ILF Note

The previous version of the Illinois state pages included a statement under Rule G. *Increased Limits* for ancillary personnel that is no longer applicable. The note was left in the state pages from when the increased limits factors depended on the medical practitioner's classification. The statement that has been removed stated:

Miscellaneous/Ancillary personnel shall be treated as Class 1A for Increased Limits.

8. Quarterly Installment Option

Section I. Quarterly Installment Option has been added to the state pages. The section states the following:

Section F. Premium Payment Plan of the company pages is deleted in its entirety and replaced with the following:

The company will offer to the Named Insured a premium payment option as follows:

- a. Each quarterly premium payment will be 25% of the total annual premium;

- b. There will be no interest charges;
- c. There will be quarterly installment charges equal to the lesser of 1% of the total annual premium or \$25.00;
- d. Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.

9. Adding a Company

CCC proposes the inclusion of the underwriting company, The Continental Insurance Company ("CIC", NAIC# 35289), on its Illinois rate manual within this submission. CIC is adopting CCC's current state pages, including the changes proposed with this filing. Since The Continental Insurance Company will be a new company in the Illinois market, there is no impact on policyholders.

Changes to Countrywide Pages

1. Rule changes

- a. Rule XII – ERP rule has been updated to include wording for death, disability, and retirement (DDR).

2. Adding a Company

CCC proposes the inclusion of the underwriting company, The Continental Insurance Company ("CIC", NAIC# 35289), on its countrywide manual within this submission. CIC is adopting CCC's current countrywide pages, including the changes proposed with this filing.

Actual In-Force Impact

There are no in-force policies, as of June 30, 2007, therefore the changes described above will have no impact to policyholders.

The revised countrywide pages and rating manual are attached.

Continental Casualty Company
The Continental Insurance Company
Physicians & Surgeons Professional Liability

Actuarial Memorandum
Illinois

With this rate filing, Continental Casualty Company (CCC) proposes several changes to its Physicians & Surgeons Professional Liability program in the State of Illinois. All changes are proposed with an effective date of March 1, 2008. The proposed changes are:

Changes to State Pages

1. Base Rate

CCC proposes a base rate decrease of 61.1%. CCC has written limited premium under this program in Illinois in recent years. Therefore, the indicated rate change was not calculated based upon CCC's historical experience, but rather based on the filed rates of a competitor, ISMIE Mutual Insurance Company ("ISMIE"). Exhibits 1 through 6 show this competitor rate comparison and analysis. Exhibits 1 through 4 show the calculation of the proposed rates. As shown in the exhibits, ISMIE's current rates are adjusted for the difference in expenses, the difference in class plans and trend to July 1st, 2007, the date of the analysis, in order to determine the indicated rate.

Exhibit A derives the proposed base rate change. Rows 1-3 derive CNA's overall rate need. Rows 4-9 calculate the impact of the class plan and territory changes described below. Row 10 calculates the proposed base rate change required to reflect the overall rate need (row 3), the class plan impact (row 6), and the territory change impact (row 9).

2. Class Plan

A new class plan with an average impact of 4.5% is proposed. Because of CCC's limited written premium under this program in recent years, the proposed class plan is based on a recent study by Tillinghast, consulting business of Towers Perrin. Tillinghast used data from a sampling of insurers of physicians professional liability coverage to produce indicated physician and surgeon specialty relativities. Exhibit C shows the proposed change in CCC's class plan and the overall impact on average rates. As mentioned above, Exhibit A adjusts the indicated base rate from Exhibit 1 for the proposed class plan changes to maintain the same average rate from the competitor analysis.

3. Territories

After reviewing the territories and relativities of competitors ISMIE and MedPro, CCC proposes a few territory changes. Jackson County has been moved from Territory III to Territory I. Winnebago County has been moved from Territory IV to Territory II. Vermillion County has been moved from Territory III to Territory II.

Grundy, Bureau, Coles, Dekalb, Effingham, Ogle, and Randolph Counties have moved from Territory IV to Territory III. This change has an average impact of 1.2%, as shown in Exhibit D.

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CCC is proposing new base rates for ancillary personnel. CCC derives the base rates for ancillary personnel, except for Nurse Practitioners, by applying a relativity to the physician and surgeons base rates. In the past, these relativities have varied widely from state to state. In order to make these relativities more consistent across the country and updated to reflect CCC's new class plan, we are adjusting our ancillary personnel relativities in Illinois. For Nurse Practitioners, CCC has selected a base rate consistent with the Nurse Practitioner rates filed for our Nurse and Allied Healthcare Facilities program. See Exhibit E for impact of this change by class.

5. Medical Practitioners Shared Limits

The following has been added to Rule A. *Medical Practitioners – Claims-Made Rates*:

A 25% credit shall be applied to the medical practitioners' rate if the Limits of Liability are shared with all medical practitioners within a Corporation or Partnership.

6. Ancillary Personnel Shared Limits

The following has been added to Rule E. *Ancillary Personnel – Claims-Made Rates*:

2. A 25% credit shall be applied to the ancillary personnel rate if the Limits of Liability are shared with the Corporation (Individual Physicians).

7. Ancillary Personnel ILF Note

The previous version of the Illinois state pages included a statement under Rule G. *Increased Limits* for ancillary personnel that is no longer applicable. The note was left in the state pages from when the increased limits factors depended on the medical practitioner's classification. The statement that has been removed stated:

Miscellaneous/Ancillary personnel shall be treated as Class 1A for Increased Limits.

8. Quarterly Installment Option

Section I. Quarterly Installment Option has been added to the state pages. The section states the following:

Section F. Premium Payment Plan of the company pages is deleted in its entirety and replaced with the following:

The company will offer to the Named Insured a premium payment option as follows:

- a. Each quarterly premium payment will be 25% of the total annual premium;

- b. There will be no interest charges;
- c. There will be quarterly installment charges equal to the lesser of 1% of the total annual premium or \$25.00;
- d. Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.

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CCC proposes the inclusion of the underwriting company, The Continental Insurance Company ("CIC", NAIC# 35289), on its Illinois rate manual within this submission. CIC is adopting CCC's current state pages, including the changes proposed with this filing. Since The Continental Insurance Company will be a new company in the Illinois market, there is no impact on policyholders.

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- a. Rule XII – ERP rule has been updated to include wording for death, disability, and retirement (DDR).

2. Adding a Company

CCC proposes the inclusion of the underwriting company, The Continental Insurance Company ("CIC", NAIC# 35289), on its countrywide manual within this submission. CIC is adopting CCC's current countrywide pages, including the changes proposed with this filing.

Actual In-Force Impact

There are no in-force policies, as of June 30, 2007, therefore the changes described above will have no impact to policyholders.

The revised countrywide pages and rating manual are attached.

Exhibit A

**CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS**

CNA Proposed Base Rate Effectice 3/1/2008

(1) Current CNA Base Rate for Remainder of State Mature Claims Made Family Practice (No Surgery) Manual Rate at \$1,000,000/\$3,000,000 Limits (Exhibit 4)	32,138
(2) Indicated CNA Base Rate for Remainder of State Mature Claims-Made Family Practice (No Surgery) Manual Rate at \$1,000,000/\$3,000,000 Limits (Exhibit 4)	13,870
(3) Indicated Base Rate Need Based on Competitor Comparison = (2)/(1) - 1	-56.8%
(4) Current Class Plan Average Factor (Exhibit C)	1.623
(5) Proposed Class Plan Average Factor (Exhibit C)	1.696
(6) Proposed Class Change = (5)/(4)-1	4.5%
(7) Current Territorial Plan Average Factor (Exhibit D)	1.809
(8) Proposed Territorial Plan Average Factor (Exhibit D)	1.830
(9) Proposed Territorial Change = (8)/(7)-1	1.2%
(10) Proposed Base Rate Change to Offset the Class and Terr Changes = (1+(3))/((1+(6))*(1+(9)))-1	-59.2%
(11) Selected CNA Base Rate for Statewide Mature Claims-Made Family Practice (No Surgery) Manual Rate at \$1,000,000/\$3,000,000 Limits = (1)*(1+(10))	13,120
(12) Proposed Overall Change = (1 + (6))*(1 + (9))*(1 + (10)) -1	-56.8%

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

New Physician Classification Plan

Physician Specialty	ISO Code	New Class Code	New Relativity
Administrative Medicine	80178	1A	0.7
Allergy/Immunology	80254	1A	0.7
Diabetes - no surgery	80237	1A	0.7
Forensic or Legal Medicine	80240	1A	0.7
General Preventive Medicine	80231	1A	0.7
Nephrology - no surgery	80260	1A	0.7
Ophthalmology - no surgery	80263	1A	0.7
Pathology - All Other	80266	1A	0.7
Preventive Medicine - no surgery - Aerospace Medicine	80230	1A	0.7
Preventive Medicine - no surgery - Occupational Medicine	80233	1A	0.7
Preventive Medicine - no surgery - Public/General Health Medicine	80236	1A	0.7
Psychiatry - All Other	80249	1A	0.7
Cardiovascular Disease - no surgery	80255	1	1.0
Dermatology - no surgery	80256	1	1.0
Diabetes - minor surgery	80271	1	1.0
Endocrinology - no surgery	80238	1	1.0
Family/General Practice - no surgery	80420	1	1.0
Gastroenterology - no surgery	80241	1	1.0
Geriatrics - no surgery	80243	1	1.0
Gynecology - no surgery	80244	1	1.0
Hematology - no surgery	80245	1	1.0
Hospitalists	80222	1	1.0
Infectious Disease	80246	1	1.0
Internal Medicine - no surgery	80257	1	1.0
Neoplastic Diseases - no surgery	80259	1	1.0
Nephrology - minor surgery	80287	1	1.0
Nuclear Medicine	80262	1	1.0
Nutritionist	80248	1	1.0
Oncology - no surgery	80302	1	1.0
Otorhinolaryngology - no surgery	80265	1	1.0
Pathology - Cytopathology	80292	1	1.0
Pediatrics - no surgery	80267	1	1.0
Pharmacology - clinical	80234	1	1.0
Physical Medicine and Rehabilitation - All Other	80235	1	1.0
Physicians - no surgery - NOC	80268	1	1.0
Preventive Medicine - no surgery - Undersea/Hyperbaric Medicine	80139	1	1.0
Pulmonary Diseases - no surgery	80269	1	1.0
Rheumatology - no surgery	80252	1	1.0
Sports Medicine - no surgery	80205	1	1.0
Urgent Care Medicine	80424	1	1.0
Urology - no surgery	80121	1	1.0
Anesthesiology - All Other	80181	2A	1.2
Dermatology - minor surgery	80282	2	1.4
Endocrinology - minor surgery	80272	2	1.4
Family/General Practice - minor surgery - excluding obstetrics	80421	2	1.4
Gastroenterology - minor surgery	80274	2	1.4
Gynecology - minor surgery	80277	2	1.4
Intensive Care Medicine	80283	2	1.4
Internal Medicine - minor surgery	80284	2	1.4
Neurology - including child - no surgery - All Other	80261	2	1.4
Ophthalmology - minor surgery	80289	2	1.4
Otorhinolaryngology - minor surgery	80291	2	1.4

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

New Physician Classification Plan

Physician Specialty	ISO Code	New Class Code	New Relativity
Phys. - no major surgery - Acupuncture	80437	2	1.4
Phys. - no major surgery - Angiography, Arteriography,	80422	2	1.4
Phys. - no major surgery - Colonoscopy, ERCP, esophageal dilation	80443	2	1.4
Phys. - no major surgery - Discograms, Myelography,	80428	2	1.4
Phys. - no major surgery - Lymphangiography, Phlebography	80434	2	1.4
Phys. - no major surgery - Needle Biopsy	80446	2	1.4
Phys. - no major surgery - Radopaque Dye	80449	2	1.4
Phys. - no major surgery - Shock Therapy	80431	2	1.4
Physicians - minor surgery - NOC	80294	2	1.4
Physicians or Surgeons Assistants	80116	2	1.4
Radiology - Diagnostic	80253	2	1.4
Radiology - Therapeutic	80359	2	1.4
Surgery - Ophthalmology	80114	2	1.4
Urology - minor surgery	80120	2	1.4
Anesthesiology - Chronic Pain Management	80182	3	1.8
Bronco - Esophagology	80101	3	1.8
Cardiovascular Disease - minor surgery	80281	3	1.8
Dermatology - All Other	80297	3	1.8
Neonatology - non-critical care	80804	3	1.8
Podiatrists - below the ankle	80993	3	1.8
Radiology - Diagnostic - Including Interventional	80280	3	1.8
Radiology - Therapeutic - Including Interventional & Radiation TX	80358	3	1.8
Surgery - Colon & Rectal	80115	3	1.8
Surgery - Maxillofacial	80210	3	1.8
Surgery - Otorhinolaryngology	80159	3	1.8
Surgery - Pediatric	80180	3	1.8
Surgery - Urological	80145	3	1.8
Emergency Medicine - no major surgery	80102	4a	2.2
Podiatrists - above the ankle	80993a	4a	2.2
Surgery - Gastroenterology	80104	4a	2.2
Surgery - Family/General Practice - Incl. OB	80117	4	2.8
Surgery - General - Excluding Bariatric	80143	4	2.8
Surgery - Gynecology	80167	4	2.8
Surgery - Neoplastic Diseases/Oncology	80107	4	2.8
Emergency Medicine - including major surgery	80157	5	3.3
Neonatology - critical care	80804a	5	3.3
Surgery - Abdominal	80166	5	3.3
Surgery - Hand	80169	5	3.3
Surgery - Head and Neck	80170	5	3.3
Surgery - Orthopedic - excluding spine	80154	5	3.3
Surgery - Plastic - NOC	80156	5	3.3
Surgery - Plastic - Otorhinolaryngology	80155	5	3.3
Surgery - Trauma	80171	5	3.3
Surgery - Cardiac	80141	6	3.6
Surgery - Cardiovascular Disease	80150	6	3.6
Surgery - Orthopedic - including spine	80154a	6	3.6
Surgery - Thoracic	80144	6	3.6
Surgery - Vascular	80146	6	3.6
Perinatology	80804b	7	6.1
Surgery - General - Including Bariatric	80143a	7	6.1
Surgery - Obstetrics - Gynecology	80153	7	6.1
Surgery - Neurology - including child	80152	8	8.2

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

New Physician Classification Plan

Physician Specialty	New ISO Code	ILLINOIS AMA	Current CNA Relativities	Proposed CNA Relativities
Aerospace Medicine	80230	0.03%	0.600	0.700
Allergy	80254	0.58%	0.600	0.700
Anesthesiology	80181	5.72%	1.500	1.200
Angio/Arterio/Catheterization	80422	0.75%	1.500	1.400
Cardiovascular Disease - No Surgery	80255	2.24%	0.900	1.000
Cardiovascular Surgery	80150	0.16%	3.750	3.600
Colon & Rectal Surgery	80115	0.16%	1.500	1.800
Dermatology - Hair Transplant, Plastic Surgery, etc.	80297	0.16%	1.000	1.800
Dermatology - Invasive Procedures	80282	0.16%	0.900	1.400
Dermatology - No Surgery	80256	0.94%	0.600	1.000
Diabetes - Minor Surgery	80271	0.01%	0.900	1.000
Diabetes - No Surgery	80237	0.04%	0.600	0.700
Diagnostic Radiology	80280	3.32%	1.000	1.800
Emergency Medicine	80157	2.11%	2.950	3.300
Endocrinology - Minor Surgery	80272	0.74%	0.900	1.400
Family/General Practice - Minor Surgery/No OB	80421	1.46%	1.500	1.400
Family/General Practice - No Surgery/No OB	80420	8.76%	1.000	1.000
Family/General Practice - Surgery/OB	80117	1.46%	2.950	2.800
Forensic/Legal Medicine	80240	0.07%	0.600	0.700
Gastroenterology - Minor Surgery	80274	1.51%	0.900	1.400
General Preventive Medicine	80231	0.27%	0.600	0.700
General Surgery	80143	4.18%	2.950	2.800
Geriatric Medicine - Minor Surgery	80243	0.01%	0.900	1.000
Geriatric Medicine - No Surgery	80243	0.04%	0.600	1.000
Gynecology - Minor Surgery	80277	0.47%	0.900	1.400
Gynecology - Surgery	80167	0.16%	2.950	2.800
Hand Surgery	80169	0.19%	2.950	3.300
Hematology/Oncology	80245	1.77%	0.900	1.000
Infectious Disease	80246	0.93%	0.900	1.000
Intensive Care Medicine	80283	2.11%	2.950	1.400
Internal Medicine - Invasive Procedures	80284	4.50%	1.500	1.400
Internal Medicine - No Surgery	80257	13.50%	1.000	1.000
Neonatology/Perinatology	80804	0.53%	2.950	1.800
Nephrology	80287	1.08%	0.900	1.000
Neurology - No Surgery	80261	1.90%	1.000	1.400
Neurosurgery	80152	0.72%	5.500	8.200
Obstetrics/OB/GYN	80153	5.24%	5.500	6.100
Occupational/Industrial Medicine	80233	0.38%	0.600	0.700
Ophthalmology - No Surgery/Laser	80263	1.74%	0.600	0.700
Ophthalmology - Surgery/Laser	80114	0.58%	0.900	1.400
Orthopedic Surgery	80154a	2.85%	3.750	3.600
Otolaryngology - Elective Plastic Surgery	80155	0.14%	3.750	3.300
Otolaryngology - No Elective Plastic Surgery	80159	0.14%	2.950	1.800
Otolaryngology - No Surgery	80265	0.85%	0.600	1.000
Pathology	80292	2.85%	0.900	1.000
Pediatric Surgery	80180	0.10%	2.950	1.800
Pediatrics - No Surgery	80267	9.22%	1.000	1.000
Physical Medicine/Rehabilitation	80235	1.16%	0.600	1.000
Plastic Surgery	80156	0.75%	3.750	3.300
Psychiatry	80249	5.59%	0.900	0.700
Public Health	80236	0.08%	0.600	0.700
Pulmonary Medicine	80269	1.21%	0.600	1.000
Radiation Oncology	80358	1.64%	0.900	1.800
Rheumatology	80252	0.65%	0.600	1.000
Thoracic Surgery	80144	0.61%	2.950	3.600
Traumatic Surgery	80171	0.03%	2.950	3.300
Urology - No Implants	80145	1.28%	1.500	1.800
Vascular Surgery	80146	0.16%	2.950	3.600
TOTAL / AVERAGE		100.00%	1.623	1.696

Notes:

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

New Physician Territorial Relativities

County	AMA Distribution	Current CNA Territory	Proposed CNA Territory	Current CNA Relativities	Proposed CNA Relativities
Cook, Madison, St. Clair, Will	59.8%	1	1	2.100	2.100
Lake	6.5%	2	2	1.640	1.640
Kane, McHenry	3.0%	2	2	1.640	1.640
DuPage	11.1%	2	2	1.640	1.640
Jackson	0.5%	3	1	1.280	2.100
Vermilion	0.4%	3	2	1.280	1.640
Kankakee, Macon	1.2%	3	3	1.280	1.280
Champaign, LaSalle	2.1%	3	3	1.280	1.280
Sangamon	2.7%	3	3	1.280	1.280
Winnebago	2.1%	4	2	1.000	1.640
Bureau, Coles, DeKalb, Effingham, Grundy, Ogle, Randolph	0.8%	4	3	1.000	1.280
Remainder of State	9.8%	4	4	1.000	1.000
TOTAL / AVERAGE	100.0%			1.809	1.830

Notes:

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

**CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS**

Development of CNA Indicated Base Class Physician Rate

(1) ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Family Practice (No Surgery) Manual Rate at \$1,000,000/\$3,000,000 Limits (exhibit 4)	16,988
(2) Average Premium Credit (-) / Debit (+)	-26.9%
(3) ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Family Practice (No Surgery) Collected Rate at \$1,000,000/\$3,000,000 Limits	12,418
(4) ISMIE Mutual Insurance Company Permissible Loss & ALAE Ratio (exhibit 4)	81.2%
(5) ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Family Practice (No Surgery) Loss Cost at \$1,000,000/\$3,000,000 Limits = (3)x(4)	10,080
(6) ISMIE Mutual Insurance Company 7/1/2006 Indicated Rate Level Change	-5.2%
(7) ISMIE Mutual Insurance Company 7/1/2006 Approved Rate Level Change	-5.2%
(8) ISMIE Mutual Insurance Company 7/1/2006 Additional Rate Need	0.0%
(9) ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Loss Cost at \$1,000,000/\$3,000,000 Limits = (5) x [1+(8)]	10,080
(10) 6.0% Annual Trend Factor to 7/1/2007	1.060
(11) ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Loss Cost at \$1,000,000/\$3,000,000 Limits = (9) x (10)	10,685
(12) ISMIE Mutual Insurance Company Class Plan Relativity to CNA (Exhibit 2B)	0.931
(13) ISMIE Mutual Insurance Company Territory Relativity to CNA (Exhibit 3)	0.936
(14) CNA 7/1/2009 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Loss Cost at \$1,000,000/\$3,000,000 Limits = (11) x (12) x (13)	9,311
(15) CNA Permissible Loss & ALAE Ratio (Exhibit 4)	67.1%
(16) CNA 7/1/2007 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Rate at \$1,000,000/\$3,000,000 Limits = (14) / (15)	13,870

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Allergy & Immunology	0.58%	1	0.523	Allergy	1A	0.600
Anesthesiology	5.72%	7	1.265	Anesthesiology	2	1.500
Cardiovascular Disease	2.99%	6	1.053	Cardiovascular Disease - No Surgery	1B	0.900
		8	1.424	Cardiovascular - Some Minor Surgery		
		11	1.795	Cardiovascular - Minor Surgery	2	1.500
Colon & Rectal Surgery	0.16%	11	1.795	Colon & Rectal Surgery	2	1.500
Dermatology	1.26%	2	0.682	Dermatology		
				Dermatology - No Surgery	1A	0.600
				Dermatology - Invasive Procedures	1B	0.900
				Dermatology - Hair Transplant, Plastic Surgery, etc.	1	1.000
Emergency Medicine	4.22%	11	1.795	Emergency Medicine	3	2.950
		12	2.007	Intensive Care Medicine	3	2.950
Family Practice/General Practice	12.01%	4	1.000	Family/General Practice - No Surgery/No OB	1	1.000
		19	1.530	Family/General Practice - Minor Surgery/No OB	2	1.500
		12	2.007	Family/General Practice - Surgery/OB	3	2.950
		2	0.682	Geriatric Medicine - No Surgery	1A	0.600
		1	0.523	Geriatric Medicine - Minor Surgery	1B	0.900
Gastroenterology	1.51%	8	1.424	General Preventive Medicine	1A	0.600
				Gastroenterology - Minor Surgery	1B	0.900

CNA Insurance Companies

Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
General Surgery	4.82%	13	2.960	General Surgery	3	2.950
		12	2.007	Hand Surgery	3	2.950
		8	1.424	Pediatric Surgery	3	2.950
		12	2.007	Traumatic Surgery	3	2.950
		7	1.265	Cardiovascular Surgery	4	3.750
		4	1.000	Vascular Surgery	3	2.950
		16	3.914	Podiatrist	3	2.950
		8	1.424			
		8	1.424			
		16	3.914			
Internal Medicine	23.23%	2	0.682	Endocrinology - Minor Surgery	1B	0.900
		2	0.682	Rheumatology	1A	0.600
		4	1.000	Hematology/Oncology	1B	0.900
		4	1.000			
		6	1.053	Infectious Disease	1B	0.900
		6	1.053	Nephrology	1B	0.900
		7	1.265	Internal Medicine - No Surgery	1	1.000
		5	1.159	Internal Medicine - Invasive Procedures	2	1.500
		8	1.424	Diabetes - No Surgery	1A	0.600
		4	1.000	Diabetes - Minor Surgery	1B	0.900
Neurology	1.90%	8	1.424	Neurology - No Surgery	1	1.000
		10	1.636	Neurology - Minor Surgery		

CNA Insurance Companies

Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Neurological Surgery	0.72%	Neurosurgery - Excl. Intracranial Surgery Neurosurgery - Incl. Intracranial Surgery	18 20	Neurosurgery	5	5.500
Obstetrics & Gynecology	5.86%	Gynecology - No Surgery Gynecology - Minor Surgery Gynecological Surgery OB/GYN - Surgery	5 11 12 17	Gynecology - Minor Surgery Gynecology - Surgery Obstetrics/OB/GYN	1B 3 5	0.900 2.950 5.500
Occupational Medicine	0.38%	Occupational Medicine Industrial Medicine	1 4	Occupational/Industrial Medicine	1A	0.600
Ophthalmology	2.32%	Ophthalmology - No Surgery Ophthalmology - Surgery	2 4	Ophthalmology - No Surgery/Laser Ophthalmology - Surgery/Laser	1A 1B	0.600 0.900
Orthopedic Surgery	2.85%	Orthopedics - Minor Surgery Orthopedic Surgery - Excl. Spine Orthopedic Surgery - Incl. Spine	8 15 18	Orthopedic Surgery	4	3.750
Otolaryngology	1.13%	Otorhinolaryngology - No Surgery Otorhinolaryngology - Minor Surgery Otorhinolaryngology - Surgery (Excl. Plastic) Otorhinolaryngology - Head/Neck Otorhinolaryngology - Other than Head/ Neck	1 8 11 12 14	Otolaryngology - No Surgery Otolaryngology - No Elective Plastic Surgery Otolaryngology - Elective Plastic Surgery	1A 3 4	0.600 2.950 3.750

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Psychiatry	5.59%	2	0.682	Psychiatry	1B	0.900
Pediatrics	9.75%	3 8 14	0.788 1.424 3.066	Pediatrics - No Surgery Pediatrics - Minor Surgery Neonatology	1 3	1.000 2.950
Public Health	0.11%	1	0.523	Public Health Aerospace Medicine	1A 1A	0.600 0.600
Physical Medicine & Rehabilitation	1.16%	1	0.523	Physical Medicine/Rehabilitation	1A	0.600
Plastic Surgery	0.75%	14	3.066	Plastic Surgery	4	3.750
Anatomic/Clinical Pathology	2.92%	2 1	0.682 0.523	Pathology Forensic Medicine	1B 1A	0.900 0.600
Pulmonary Disease	1.21%	7	1.265	Pulmonary Diseases Pulmonary Medicine	1A	0.600
Radiology	4.96%	4 7 8 11 4	1.000 1.265 1.424 1.795 1.000	Radiation Oncology Diagnostic Radiology - No Surgery Diagnostic Radiology - Minor Surgery Diagnostic Radiology - Surgery Nuclear Medicine	1B 1 1	0.900 1.000

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Thoracic Surgery	0.61%	4 16	1,000 3,914	Thoracic Surgery	3	2,950
Urology	1.28%	8 10	1,424 1,636	Urology - Minor Surgery Urology - No Implants	2	1,500

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Derivation of Class Plan Relativity Factor

	(1)	(2)	(3)
CNA Physician Class	Exposure Distribution	ISMIE Average Relativity	CNA Current Relativity
1A	8.04%	0.715	0.600
1B	19.59%	0.914	0.900
1	36.86%	1.057	1.000
2	13.87%	1.394	1.500
3	11.78%	2.485	2.950
4	3.90%	3.649	3.750
5	5.96%	4.305	5.500
Total/Average	100.00%	1.511	1.623
Relativity to CNA = (2) / (3)			0.931

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Derivation of Territory Relativity Factor

County			(1)	(2)	(3)
	ISMIE Territory	CNA Territory	Exposure Distribution	ISMIE Territory Relativity	CNA Territory Relativity
Cook, Madison, St. Clair, Will	1	1	59.85%	1.900	2.100
Lake	1A	2	6.48%	1.720	1.640
Kane, McHenry	1B	2	2.96%	1.630	1.640
DuPage	2	2	11.13%	1.450	1.640
Jackson	1	3	0.52%	1.900	1.280
Vermilion	1A	3	0.41%	1.720	1.280
Kankakee, Macon	2	3	1.20%	1.450	1.280
Champaign, LaSalle	2A	3	2.07%	1.360	1.280
Sangamon	2B	3	2.68%	1.180	1.280
Winnebago	1B	4	2.14%	1.630	1.000
Bureau, Coles, DeKalb, Effingham, Ogle, Randolph	2A	4	0.80%	1.360	1.000
Grundy	2B	4	0.14%	1.180	1.000
Peoria	2C	4	2.47%	0.910	1.000
Remainder of State	3	4	7.17%	1.000	1.000
Total/Average			100.00%	1.694	1.809
Relativity to CNA = (2) / (3)					0.936

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Exhibit 4

Base Rate and Expense Information

Section A - Base Rate Description	ISMIE Mutual Insurance Company	CNA - Current	CNA - Indicated
Effective Date	7/1/2006	7/1/2005	7/1/20073
Type of Coverage	Mature CM	Mature CM	Mature CM
Per Occurrence Limit	1,000,000	100,000	100,000
Annual Aggregate Limit	3,000,000	300,000	300,000
Term	Annual	Annual	Annual
Per Occurrence Deductible	None	None	None
Annual Aggregate Deductible	None	None	None

Section B - \$1M/\$3M Base Rate Calculation	ISMIE Mutual Insurance Company	CNA - Current	CNA - Indicated
(1) Family Practice (No Surgery) Base Rate	\$ 16,988	\$ 14,948	\$ 6,451
(2) Factor to Convert to Mmature Claims Made	1.000	1.000	1.000
(3) Factor to Convert to 12 Month Term	1.000	1.000	1.000
(4) Increase Limit Factor to \$1M/\$3M	1.000	2.150	2.150
(5) \$0 Deductible Factor	1.000	1.000	1.000
(6) Combined Factor = (2) x (3) x (4) x (5)	1.000	2.150	2.150
(7) \$1M/\$3M Family Practice (No Surgery) Base Rate	\$ 16,988	\$ 32,138	\$ 13,870

Section C - Permissible Loss and ALAE Ratio Calculation	ISMIE Mutual Insurance Company	CNA - Current	CNA - Indicated
(8) Commissions & Brokerage Fees	4.0%	10.0%	10.0%
(9) General and Other Acquisition Expenses	3.2%	9.7%	8.4%
(10) Taxes, Liscenses & Fees	2.0%	2.4%	2.4%
(11) Profit & Contingencies	2.0%	6.4%	4.2%
(12) Total Expenses and Profit = (8) + (9) + (10) + (11)	11.2%	28.5%	25.0%
(13) Permissible Loss and LAE Ratio (incl DDR) = 1.0 - (12)	88.8%	71.5%	75.0%
(14) DDR Loas as a % of Loss and ALAE	4.9%	5.0%	5.0%
(15) Unallocated LAE as % of Loss and ALAE	4.5%	5.9%	6.4%
(16) Permissible Loss and ALAE Rate = (13)/([1+(14)]x[1+(15)])	81.2%	64.3%	67.1%

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Cook, Madison, St. Clair, Will

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	23,071	16,640	-27.9%
1B	19.59%	29,508	24,960	-15.4%
1	36.86%	34,127	27,734	-18.7%
2	13.87%	44,979	41,601	-7.5%
3	11.78%	80,221	81,815	+2.0%
4	3.90%	117,795	104,002	-11.7%
5	5.96%	138,957	152,536	+9.8%
Total/Average	100.00%	48,773	44,999	-7.7%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Lake

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	20,886	12,995	-37.8%
1B	19.59%	26,713	19,493	-27.0%
1	36.86%	30,894	21,659	-29.9%
2	13.87%	40,718	32,488	-20.2%
3	11.78%	72,621	63,894	-12.0%
4	3.90%	106,636	81,221	-23.8%
5	5.96%	125,793	119,124	-5.3%
Total/Average	100.00%	44,153	35,142	-20.4%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Kane, McHenry

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	19,793	12,995	-34.3%
1B	19.59%	25,315	19,493	-23.0%
1	36.86%	29,277	21,659	-26.0%
2	13.87%	38,587	32,488	-15.8%
3	11.78%	68,821	63,894	-7.2%
4	3.90%	101,056	81,221	-19.6%
5	5.96%	119,211	119,124	-0.1%
Total/Average	100.00%	41,842	35,142	-16.0%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

DuPage

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	17,607	12,995	-26.2%
1B	19.59%	22,519	19,493	-13.4%
1	36.86%	26,044	21,659	-16.8%
2	13.87%	34,326	32,488	-5.4%
3	11.78%	61,221	63,894	+4.4%
4	3.90%	89,896	81,221	-9.7%
5	5.96%	106,046	119,124	+12.3%
Total/Average	100.00%	37,222	35,142	-5.6%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Jackson

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	23,071	10,143	-56.0%
1B	19.59%	29,508	15,214	-48.4%
1	36.86%	34,127	16,904	-50.5%
2	13.87%	44,979	25,357	-43.6%
3	11.78%	80,221	49,868	-37.8%
4	3.90%	117,795	63,392	-46.2%
5	5.96%	138,957	92,974	-33.1%
Total/Average	100.00%	48,773	27,428	-43.8%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Vermilion

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	20,886	10,143	-51.4%
1B	19.59%	26,713	15,214	-43.0%
1	36.86%	30,894	16,904	-45.3%
2	13.87%	40,718	25,357	-37.7%
3	11.78%	72,621	49,868	-31.3%
4	3.90%	106,636	63,392	-40.6%
5	5.96%	125,793	92,974	-26.1%
Total/Average	100.00%	44,153	27,428	-37.9%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Kankakee, Macon

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	17,607	10,143	-42.4%
1B	19.59%	22,519	15,214	-32.4%
1	36.86%	26,044	16,904	-35.1%
2	13.87%	34,326	25,357	-26.1%
3	11.78%	61,221	49,868	-18.5%
4	3.90%	89,896	63,392	-29.5%
5	5.96%	106,046	92,974	-12.3%
Total/Average	100.00%	37,222	27,428	-26.3%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Champaign, LaSalle

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	16,514	10,143	-38.6%
1B	19.59%	21,122	15,214	-28.0%
1	36.86%	24,427	16,904	-30.8%
2	13.87%	32,195	25,357	-21.2%
3	11.78%	57,421	49,868	-13.2%
4	3.90%	84,317	63,392	-24.8%
5	5.96%	99,464	92,974	-6.5%
Total/Average	100.00%	34,911	27,428	-21.4%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Sangamon

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	=(3)/(2)-1 CNA Rate Differential
1A	8.04%	14,329	10,143	-29.2%
1B	19.59%	18,326	15,214	-17.0%
1	36.86%	21,194	16,904	-20.2%
2	13.87%	27,934	25,357	-9.2%
3	11.78%	49,821	49,868	+0.1%
4	3.90%	73,157	63,392	-13.3%
5	5.96%	86,300	92,974	+7.7%
Total/Average	100.00%	30,291	27,428	-9.5%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Winnebago

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	19,793	7,924	-60.0%
1B	19.59%	25,315	11,886	-53.0%
1	36.86%	29,277	13,207	-54.9%
2	13.87%	38,587	19,810	-48.7%
3	11.78%	68,821	38,959	-43.4%
4	3.90%	101,056	49,525	-51.0%
5	5.96%	119,211	72,636	-39.1%
Total/Average	100.00%	41,842	21,428	-48.8%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Bureau, Coles, DeKalb, Effingham, Ogle, Randolph

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	16,514	7,924	-52.0%
1B	19.59%	21,122	11,886	-43.7%
1	36.86%	24,427	13,207	-45.9%
2	13.87%	32,195	19,810	-38.5%
3	11.78%	57,421	38,959	-32.2%
4	3.90%	84,317	49,525	-41.3%
5	5.96%	99,464	72,636	-27.0%
Total/Average	100.00%	34,911	21,428	-38.6%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Grundy

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	14,329	7,924	-44.7%
1B	19.59%	18,326	11,886	-35.1%
1	36.86%	21,194	13,207	-37.7%
2	13.87%	27,934	19,810	-29.1%
3	11.78%	49,821	38,959	-21.8%
4	3.90%	73,157	49,525	-32.3%
5	5.96%	86,300	72,636	-15.8%
Total/Average	100.00%	30,291	21,428	-29.3%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Peoria

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	11,050	7,924	-28.3%
1B	19.59%	14,133	11,886	-15.9%
1	36.86%	16,345	13,207	-19.2%
2	13.87%	21,543	19,810	-8.0%
3	11.78%	38,422	38,959	+1.4%
4	3.90%	56,418	49,525	-12.2%
5	5.96%	66,553	72,636	+9.1%
Total/Average	100.00%	23,360	21,428	-8.3%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Remainder of State

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	12,143	7,924	-34.7%
1B	19.59%	15,531	11,886	-23.5%
1	36.86%	17,961	13,207	-26.5%
2	13.87%	23,673	19,810	-16.3%
3	11.78%	42,222	38,959	-7.7%
4	3.90%	61,997	49,525	-20.1%
5	5.96%	73,135	72,636	-0.7%
Total/Average	100.00%	25,670	21,428	-16.5%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of Current and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Remainder of State

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	CNA Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Indicated Change
1A	8.04%	19,283	7,924	
1B	19.59%	28,924	11,886	
1	36.86%	32,138	13,207	
2	13.87%	48,207	19,810	
3	11.78%	94,808	38,959	
4	3.90%	120,518	49,525	
5	5.96%	176,760	72,636	
Total/Average	100.00%	52,145	21,428	-58.9%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

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CNA Proposed Base Rate Effective 3/1/2008

(1)	Current CNA Base Rate for Remainder of State Mature Claims-Made Family Practice (No Surgery) Manual Rate at \$1,000,000/\$3,000,000 Limits (Exhibit 4)	\$32,138
(2)	Indicated CNA Base Rate for Remainder of State Mature Claims-Made Family Practice (No Surgery) Manual Rate at \$1,000,000/\$3,000,000 Limits (Exhibit 4)	\$13,207
(3)	Indicated Base Rate Need Based on Competitor Comparison = $(2) / (1) - 1$	-58.9%
(4)	Current Class Plan Average Factor (Exhibit C)	1.623
(5)	Proposed Class Plan Average Factor (Exhibit C)	1.696
(6)	Proposed Class Change = $(5) / (4) - 1$	4.5%
(7)	Current Territorial Plan Average Factor (Exhibit D)	1.809
(8)	Proposed Territorial Plan Average Factor (Exhibit D)	1.830
(9)	Proposed Territorial Change = $(8) / (7) - 1$	1.2%
(10)	Proposed Base Rate Change to Offset the Class and Terr Changes = $(1+(3))/[(1+(6))*(1+(9))]-1$	-61.1%
(11)	Selected CNA Base Rate for Statewide Mature Claims-Made Family Practice (No Surgery) Manual Rate at \$1,000,000/\$3,000,000 Limits = $(1) \times (1+(10))$	\$12,448
(12)	Proposed Overall Change = $(1 + (6)) \times (1 + (9)) \times (1 + (10)) - 1$	-58.9%

CNA Insurance Companies
Physicians & Surgeons Professional Liability
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New Physician Classification Plan

Physician Specialty	ISO Code	New Class Code	New Relativity
Administrative Medicine	80178	1A	0.7
Allergy/Immunology	80254	1A	0.7
Diabetes - no surgery	80237	1A	0.7
Forensic or Legal Medicine	80240	1A	0.7
General Preventive Medicine	80231	1A	0.7
Nephrology - no surgery	80260	1A	0.7
Ophthalmology - no surgery	80263	1A	0.7
Pathology - All Other	80266	1A	0.7
Preventive Medicine - no surgery - Aerospace Medicine	80230	1A	0.7
Preventive Medicine - no surgery - Occupational Medicine	80233	1A	0.7
Preventive Medicine - no surgery - Public/General Health Medicine	80236	1A	0.7
Psychiatry - All Other	80249	1A	0.7
Cardiovascular Disease - no surgery	80255	1	1.0
Dermatology - no surgery	80256	1	1.0
Diabetes - minor surgery	80271	1	1.0
Endocrinology - no surgery	80238	1	1.0
Family/General Practice - no surgery	80420	1	1.0
Gastroenterology - no surgery	80241	1	1.0
Geriatrics - no surgery	80243	1	1.0
Gynecology - no surgery	80244	1	1.0
Hematology - no surgery	80245	1	1.0
Hospitalists	80222	1	1.0
Infectious Disease	80246	1	1.0
Internal Medicine - no surgery	80257	1	1.0
Neoplastic Diseases - no surgery	80259	1	1.0
Nephrology - minor surgery	80287	1	1.0
Nuclear Medicine	80262	1	1.0
Nutritionist	80248	1	1.0
Oncology - no surgery	80302	1	1.0
Otorhinolaryngology - no surgery	80265	1	1.0
Pathology - Cytopathology	80292	1	1.0
Pediatrics - no surgery	80267	1	1.0
Pharmacology - clinical	80234	1	1.0
Physical Medicine and Rehabilitation - All Other	80235	1	1.0
Physicians - no surgery - NOC	80268	1	1.0
Preventive Medicine - no surgery - Undersea/Hyperbaric Medicine	80139	1	1.0
Pulmonary Diseases - no surgery	80269	1	1.0
Rheumatology - no surgery	80252	1	1.0
Sports Medicine - no surgery	80205	1	1.0
Urgent Care Medicine	80424	1	1.0
Urology - no surgery	80121	1	1.0
Anesthesiology - All Other	80181	2A	1.2
Dermatology - minor surgery	80282	2	1.4
Endocrinology - minor surgery	80272	2	1.4
Family/General Practice - minor surgery - excluding obstetrics	80421	2	1.4
Gastroenterology - minor surgery	80274	2	1.4
Gynecology - minor surgery	80277	2	1.4
Intensive Care Medicine	80283	2	1.4
Internal Medicine - minor surgery	80284	2	1.4
Neurology - including child - no surgery - All Other	80261	2	1.4
Ophthalmology - minor surgery	80289	2	1.4
Otorhinolaryngology - minor surgery	80291	2	1.4

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

New Physician Classification Plan

Physician Specialty	ISO Code	New Class Code	New Relativity
Phys. - no major surgery - Acupuncture	80437	2	1.4
Phys. - no major surgery - Angiography, Arteriography,	80422	2	1.4
Phys. - no major surgery - Colonoscopy, ERCP, esophageal dilation	80443	2	1.4
Phys. - no major surgery - Discograms, Myelography,	80428	2	1.4
Phys. - no major surgery - Lymphangiography, Phlebography	80434	2	1.4
Phys. - no major surgery - Needle Biopsy	80446	2	1.4
Phys. - no major surgery - Radiopaque Dye	80449	2	1.4
Phys. - no major surgery - Shock Therapy	80431	2	1.4
Physicians - minor surgery - NOC	80294	2	1.4
Physicians or Surgeons Assistants	80116	2	1.4
Radiology - Diagnostic	80253	2	1.4
Radiology - Therapeutic	80359	2	1.4
Surgery - Ophthalmology	80114	2	1.4
Urology - minor surgery	80120	2	1.4
Anesthesiology - Chronic Pain Management	80182	3	1.8
Bronco - Esophagology	80101	3	1.8
Cardiovascular Disease - minor surgery	80281	3	1.8
Dermatology - All Other	80297	3	1.8
Neonatology - non-critical care	80804	3	1.8
Podiatrists - below the ankle	80993	3	1.8
Radiology - Diagnostic - Including Interventional	80280	3	1.8
Radiology - Therapeutic - Including Interventional & Radiation TX	80358	3	1.8
Surgery - Colon & Rectal	80115	3	1.8
Surgery - Maxillofacial	80210	3	1.8
Surgery - Otorhinolaryngology	80159	3	1.8
Surgery - Pediatric	80180	3	1.8
Surgery - Urological	80145	3	1.8
Emergency Medicine - no major surgery	80102	4a	2.2
Podiatrists - above the ankle	80993a	4a	2.2
Surgery - Gastroenterology	80104	4a	2.2
Surgery - Family/General Practice - Incl. OB	80117	4	2.8
Surgery - General - Excluding Bariatric	80143	4	2.8
Surgery - Gynecology	80167	4	2.8
Surgery - Neoplastic Diseases/Oncology	80107	4	2.8
Emergency Medicine - including major surgery	80157	5	3.3
Neonatology - critical care	80804a	5	3.3
Surgery - Abdominal	80166	5	3.3
Surgery - Hand	80169	5	3.3
Surgery - Head and Neck	80170	5	3.3
Surgery - Orthopedic - excluding spine	80154	5	3.3
Surgery - Plastic - NOC	80156	5	3.3
Surgery - Plastic - Otorhinolaryngology	80155	5	3.3
Surgery - Trauma	80171	5	3.3
Surgery - Cardiac	80141	6	3.6
Surgery - Cardiovascular Disease	80150	6	3.6
Surgery - Orthopedic - including spine	80154a	6	3.6
Surgery - Thoracic	80144	6	3.6
Surgery - Vascular	80146	6	3.6
Perinatology	80804b	7	6.1
Surgery - General - Including Bariatric	80143a	7	6.1
Surgery - Obstetrics - Gynecology	80153	7	6.1
Surgery - Neurology - including child	80152	8	8.2

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

New Physician Classification Plan

Physician Specialty	New ISO Code	ILLINOIS AMA	Current CNA Relativities	Proposed CNA Relativities
Aerospace Medicine	80230	0.03%	0.600	0.700
Allergy	80254	0.58%	0.600	0.700
Anesthesiology	80181	5.72%	1.500	1.200
Angio/Arterio/Catheterization	80422	0.75%	1.500	1.400
Cardiovascular Disease - No Surgery	80255	2.24%	0.900	1.000
Cardiovascular Surgery	80150	0.16%	3.750	3.600
Colon & Rectal Surgery	80115	0.16%	1.500	1.800
Dermatology - Hair Transplant, Plastic Surgery, etc.	80297	0.16%	1.000	1.800
Dermatology - Invasive Procedures	80282	0.16%	0.900	1.400
Dermatology - No Surgery	80256	0.94%	0.600	1.000
Diabetes - Minor Surgery	80271	0.01%	0.900	1.000
Diabetes - No Surgery	80237	0.04%	0.600	0.700
Diagnostic Radiology	80280	3.32%	1.000	1.800
Emergency Medicine	80157	2.11%	2.950	3.300
Endocrinology - Minor Surgery	80272	0.74%	0.900	1.400
Family/General Practice - Minor Surgery/No OB	80421	1.46%	1.500	1.400
Family/General Practice - No Surgery/No OB	80420	8.76%	1.000	1.000
Family/General Practice - Surgery/OB	80117	1.46%	2.950	2.800
Forensic/Legal Medicine	80240	0.07%	0.600	0.700
Gastroenterology - Minor Surgery	80274	1.51%	0.900	1.400
General Preventive Medicine	80231	0.27%	0.600	0.700
General Surgery	80143	4.18%	2.950	2.800
Geriatric Medicine - Minor Surgery	80243	0.01%	0.900	1.000
Geriatric Medicine - No Surgery	80243	0.04%	0.600	1.000
Gynecology - Minor Surgery	80277	0.47%	0.900	1.400
Gynecology - Surgery	80167	0.16%	2.950	2.800
Hand Surgery	80169	0.19%	2.950	3.300
Hematology/Oncology	80245	1.77%	0.900	1.000
Infectious Disease	80246	0.93%	0.900	1.000
Intensive Care Medicine	80283	2.11%	2.950	1.400
Internal Medicine - Invasive Procedures	80284	4.50%	1.500	1.400
Internal Medicine - No Surgery	80257	13.50%	1.000	1.000
Neonatology/Perinatology	80804	0.53%	2.950	1.800
Nephrology	80287	1.08%	0.900	1.000
Neurology - No Surgery	80261	1.90%	1.000	1.400
Neurosurgery	80152	0.72%	5.500	8.200
Obstetrics/OB/GYN	80153	5.24%	5.500	6.100
Occupational/Industrial Medicine	80233	0.38%	0.600	0.700
Ophthalmology - No Surgery/Laser	80263	1.74%	0.600	0.700
Ophthalmology - Surgery/Laser	80114	0.58%	0.900	1.400
Orthopedic Surgery	80154a	2.85%	3.750	3.600
Otolaryngology - Elective Plastic Surgery	80155	0.14%	3.750	3.300
Otolaryngology - No Elective Plastic Surgery	80159	0.14%	2.950	1.800
Otolaryngology - No Surgery	80265	0.85%	0.600	1.000
Pathology	80292	2.85%	0.900	1.000
Pediatric Surgery	80180	0.10%	2.950	1.800
Pediatrics - No Surgery	80267	9.22%	1.000	1.000
Physical Medicine/Rehabilitation	80235	1.16%	0.600	1.000
Plastic Surgery	80156	0.75%	3.750	3.300
Psychiatry	80249	5.59%	0.900	0.700
Public Health	80236	0.08%	0.600	0.700
Pulmonary Medicine	80269	1.21%	0.600	1.000
Radiation Oncology	80358	1.64%	0.900	1.800
Rheumatology	80252	0.65%	0.600	1.000
Thoracic Surgery	80144	0.61%	2.950	3.600
Traumatic Surgery	80171	0.03%	2.950	3.300
Urology - No Implants	80145	1.28%	1.500	1.800
Vascular Surgery	80146	0.16%	2.950	3.600
TOTAL / AVERAGE		100.00%	1.623	1.696

Notes:

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

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New Physician Territorial Relativities

County	AMA Distribution	Current CNA Territory	Proposed CNA Territory	Current CNA Relativities	Proposed CNA Relativities
Cook, Madison, St. Clair, Will	59.8%	1	1	2.100	2.100
Lake	6.5%	2	2	1.640	1.640
Kane, McHenry	3.0%	2	2	1.640	1.640
DuPage	11.1%	2	2	1.640	1.640
Jackson	0.5%	3	1	1.280	2.100
Vermilion	0.4%	3	2	1.280	1.640
Kankakee, Macon	1.2%	3	3	1.280	1.280
Champaign, LaSalle	2.1%	3	3	1.280	1.280
Sangamon	2.7%	3	3	1.280	1.280
Winnebago	2.1%	4	2	1.000	1.640
Bureau, Coles, DeKalb, Effingham, Grundy, Ogle, Randolph	0.8%	4	3	1.000	1.280
Remainder of State	9.8%	4	4	1.000	1.000
TOTAL / AVERAGE	100.0%			1.809	1.830

Notes:

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Development of CNA Indicated Base Class Physician Rate

(1)	ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Family Practice (No Surgery) Manual Rate at \$1M/\$3M Limits (Exhibit 4)	\$16,988
(2)	Average Premium Credit (-) / Debit (+)	-26.9%
(3)	ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Family Practice (No Surgery) Collected Rate at \$1M/\$3M Limits = (1) x [1 + (2)]	\$12,418
(4)	ISMIE Mutual Insurance Company Permissible Loss & ALAE Ratio (Exhibit 4)	81.2%
(5)	ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Family Practice (No Surgery) Loss Cost at \$1M/\$3M Limits = (3) x (4)	\$10,080
(6)	ISMIE Mutual Insurance Company 7/1/2006 Indicated Rate Level Change	-5.2%
(7)	ISMIE Mutual Insurance Company 7/1/2006 Approved Rate Level Change	-5.2%
(8)	ISMIE Mutual Insurance Company 7/1/2006 Additional Rate Need = $[1+(6)] / [1+(7)] - 1$	0.0%
(9)	ISMIE Mutual Insurance Company 7/1/2006 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Loss Cost at \$1M/\$3M Limits = (5) x [1+(8)]	\$10,080
(10)	6.0% Annual Trend Factor to 7/1/2007	1.060
(11)	ISMIE Mutual Insurance Company 7/1/2007 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Loss Cost at \$1M/\$3M Limits = (9) x (10)	\$10,685
(12)	ISMIE Mutual Insurance Company Class Plan Relativity to CNA (Exhibit 2B)	0.931
(13)	ISMIE Mutual Insurance Company Territory Relativity to CNA (Exhibit 3)	0.936
(14)	CNA 7/1/2007 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Loss Cost at \$1M/\$3M Limits = (11) x (12) x (13)	\$9,311
(15)	CNA Permissible Loss & ALAE Ratio (Exhibit 4)	70.5%
(16)	CNA 7/1/2007 Remainder of State Mature Claims-Made Indicated Family Practice (No Surgery) Rate at \$1M/\$3M Limits = (14) / (15)	\$13,207

CNA Insurance Companies

Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Allergy & Immunology	0.58%	1	0.523	Allergy	1A	0.600
Anesthesiology	5.72%	7	1.265	Anesthesiology	2	1.500
Cardiovascular Disease	2.99%	6	1.053	Cardiovascular Disease - No Surgery	1B	0.900
		8	1.424	Cardiovascular - Some Minor Surgery		
		11	1.795	Cardiovascular - Minor Surgery	2	1.500
Colon & Rectal Surgery	0.16%	11	1.795	Colon & Rectal Surgery	2	1.500
Dermatology	1.26%	2	0.682	Dermatology - No Surgery	1A	0.600
				Dermatology - Invasive Procedures	1B	0.900
				Dermatology - Hair Transplant, Plastic Surgery, etc.	1	1.000
Emergency Medicine	4.22%	11	1.795	Emergency Medicine	3	2.950
		12	2.007	Intensive Care Medicine	3	2.950
Family Practice/General Practice	12.01%	4	1.000	Family/General Practice - No Surgery/No OB	1	1.000
		19	1.530	Family/General Practice - Minor Surgery/No OB	2	1.500
		12	2.007	Family/General Practice - Surgery/OB	3	2.950
		2	0.682	Geriatric Medicine - No Surgery	1A	0.600
				Geriatric Medicine - Minor Surgery	1B	0.900
		1	0.523	General Preventive Medicine	1A	0.600
Gastroenterology	1.51%	8	1.424	Gastroenterology - Minor Surgery	1B	0.900

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Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
General Surgery	4.82%	13	2.960	General Surgery	3	2.950
		12	2.007	Hand Surgery	3	2.950
		8	1.424	Pediatric Surgery	3	2.950
		12	2.007	Traumatic Surgery	3	2.950
		7	1.265	Cardiovascular Surgery	4	3.750
		4	1.000	Vascular Surgery	3	2.950
		16	3.914	Podiatrist	3	2.950
		8	1.424			
		8	1.424			
		16	3.914			
Internal Medicine	23.23%	2	0.682	Endocrinology - Minor Surgery	1B	0.900
		2	0.682	Rheumatology	1A	0.600
		4	1.000	Hematology/Oncology	1B	0.900
		4	1.000			
		6	1.053	Infectious Disease	1B	0.900
		6	1.053	Nephrology	1B	0.900
		7	1.265	Internal Medicine - No Surgery	1	1.000
		5	1.159	Internal Medicine - Invasive Procedures	2	1.500
		8	1.424	Diabetes - No Surgery	1A	0.600
		4	1.000	Diabetes - Minor Surgery	1B	0.900
Neurology	1.90%	8	1.424	Neurology - No Surgery	1	1.000
		10	1.636	Neurology - Minor Surgery		

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Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Neurological Surgery	0.72%	Neurosurgery - Excl. Intracranial Surgery Neurosurgery - Incl. Intracranial Surgery	18 20	4.444 6.774	5	5.500
Obstetrics & Gynecology	5.86%	Gynecology - No Surgery Gynecology - Minor Surgery Gynecological Surgery OB/GYN - Surgery	5 11 12 17	1.159 1.795 2.007 4.126	1B 3 5	0.900 2.950 5.500
Occupational Medicine	0.38%	Occupational Medicine Industrial Medicine	1 4	0.523 1.000	1A	0.600
Ophthalmology	2.32%	Ophthalmology - No Surgery Ophthalmology - Surgery	2 4	0.682 1.000	1A 1B	0.600 0.900
Orthopedic Surgery	2.85%	Orthopedics - Minor Surgery Orthopedic Surgery - Excl. Spine Orthopedic Surgery - Incl. Spine	8 15 18	1.424 3.384 4.444	4	3.750
Otolaryngology	1.13%	Otorhinolaryngology - No Surgery Otorhinolaryngology - Minor Surgery Otorhinolaryngology - Surgery (Excl. Plastic) Otorhinolaryngology - Head/Neck Otorhinolaryngology - Other than Head/Neck	1 8 11 12 14	0.523 1.424 1.795 2.007 3.066	1A 3 4	0.600 2.950 3.750

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

(1) Physician Specialty	(2) Exposure Distribution	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Psychiatry	5.59%	2	0.682	Psychiatry	1B	0.900
Pediatrics	9.75%	3 8 14	0.788 1.424 3.066	Pediatrics - No Surgery Pediatrics - Minor Surgery Neonatology	1 3	1.000 2.950
Public Health	0.11%	1	0.523	Public Health Aerospace Medicine	1A 1A	0.600 0.600
Physical Medicine & Rehabilitation	1.16%	1	0.523	Physical Medicine/Rehabilitation	1A	0.600
Plastic Surgery	0.75%	14	3.066	Plastic Surgery	4	3.750
Anatomic/Clinical Pathology	2.92%	2 1	0.682 0.523	Pathology Forensic/Legal Medicine	1B 1A	0.900 0.600
Pulmonary Disease	1.21%	7	1.265	Pulmonary Medicine	1A	0.600
Radiology	4.96%	4 7 8 11 4	1.000 1.265 1.424 1.795 1.000	Radiation Oncology Diagnostic Radiology - No Surgery Diagnostic Radiology - Minor Surgery Diagnostic Radiology- Surgery Nuclear Medicine	1B 1 1	0.900 1.000

CNA Insurance Companies
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Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and CNA Physician Classification Plans

Physician Specialty	(1) Exposure Distribution	(2) ISMIE Classification	(3) ISMIE Class Code	(4) ISMIE Class Relativity	(5) CNA Classification	(6) CNA Class Code	(7) CNA Class Relativity
Thoracic Surgery	0.61%	Thoracic Surgery - Minor Surgery Thoracic Surgery	4 16	1,000 3,914	Thoracic Surgery	3	2,950
Urology	1.28%	Urology - Minor Surgery Urology - Surgery	8 10	1,424 1,636	Urology - No Implants	2	1,500

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Derivation of Class Plan Relativity Factor

	(1)	(2)	(3)
CNA Physician Class	Exposure Distribution	ISMIE Average Relativity	CNA Current Relativity
1A	8.04%	0.715	0.600
1B	19.59%	0.914	0.900
1	36.86%	1.057	1.000
2	13.87%	1.394	1.500
3	11.78%	2.485	2.950
4	3.90%	3.649	3.750
5	5.96%	4.305	5.500
Total/Average	100.00%	1.511	1.623
Relativity to CNA = (2) / (3)			0.931

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
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Derivation of Territory Relativity Factor

County	ISMIE Territory	CNA Territory	(1) Exposure Distribution	(2) ISMIE Territory Relativity	(3) CNA Territory Relativity
Cook, Madison, St. Clair, Will	1	1	59.85%	1.900	2.100
Lake	1A	2	6.48%	1.720	1.640
Kane, McHenry	1B	2	2.96%	1.630	1.640
DuPage	2	2	11.13%	1.450	1.640
Jackson	1	3	0.52%	1.900	1.280
Vermilion	1A	3	0.41%	1.720	1.280
Kankakee, Macon	2	3	1.20%	1.450	1.280
Champaign, LaSalle	2A	3	2.07%	1.360	1.280
Sangamon	2B	3	2.68%	1.180	1.280
Winnebago	1B	4	2.14%	1.630	1.000
Bureau, Coles, DeKalb, Effingham, Ogle, Randolph	2A	4	0.80%	1.360	1.000
Grundy	2B	4	0.14%	1.180	1.000
Peoria	2C	4	2.47%	0.910	1.000
Remainder of State	3	4	7.17%	1.000	1.000
Total/Average			100.00%	1.694	1.809
Relativity to CNA = (2) / (3)					0.936

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Base Rate and Expense Information

Section A - Base Rate Description	ISMIE Mutual Insurance Company	CNA - Current	CNA - Indicated
Effective Date	7/1/2006	7/1/2005	7/1/2007
Type of Coverage	Mature CM	Mature CM	Mature CM
Per Occurrence Limit	\$1,000,000	\$100,000	\$100,000
Annual Aggregate Limit	\$3,000,000	\$300,000	\$300,000
Term	Annual	Annual	Annual
Per Occurrence Deductible	None	None	None
Annual Aggregate Deductible	None	None	None

Section B - \$1M/\$3M Base Rate Calculation	ISMIE Mutual Insurance Company	CNA - Current	CNA - Indicated
(1) Family Practice (No Surgery) Base Rate	\$16,988	\$14,948	\$6,143
(2) Factor to Convert to Mature Claims Made	1.000	1.000	1.000
(3) Factor to Convert to 12 Month Term	1.000	1.000	1.000
(4) Increase Limit Factor to \$1M/\$3M	1.000	2.150	2.150
(5) \$0 Deductible Factor	1.000	1.000	1.000
(6) Combined Factor = (2) x (3) x (4) x (5)	1.000	2.150	2.150
(7) \$1M/\$3M Family Practice (No Surgery) Base Rate = (1)x(6)	\$16,988	\$32,138	\$13,207

Section C - Permissible Loss and ALAE Ratio Calculation	ISMIE Mutual Insurance Company	CNA - Current	CNA - Indicated
(8) Commissions & Brokerage Fees	4.0%	10.0%	10.0%
(9) General and Other Acquisition Expenses	3.2%	9.7%	8.4%
(10) Taxes, Licenses & Fees	2.0%	2.4%	2.4%
(11) Profit & Contingencies	2.0%	6.4%	4.2%
(12) Total Expenses and Profit = (8)+(9)+(10)+(11)	11.2%	28.5%	25.0%
(13) Permissible Loss and LAE Ratio (incl. DDR) = 1.0 - (12)	88.8%	71.5%	75.0%
(14) DDR Load as a % of Loss and ALAE	4.9%	0.0%	0.0%
(15) Unallocated LAE as a % of Loss and ALAE	4.5%	5.9%	6.4%
(16) Permissible Loss and ALAE Ratio = (13)/[(1+(14))x(1+(15))]	81.2%	67.5%	70.5%

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Cook, Madison, St. Clair, Will

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	23,071	16,640	-27.9%
1B	19.59%	29,508	24,960	-15.4%
1	36.86%	34,127	27,734	-18.7%
2	13.87%	44,979	41,601	-7.5%
3	11.78%	80,221	81,815	+2.0%
4	3.90%	117,795	104,002	-11.7%
5	5.96%	138,957	152,536	+9.8%
Total/Average	100.00%	48,773	44,999	-7.7%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Lake

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	20,886	12,995	-37.8%
1B	19.59%	26,713	19,493	-27.0%
1	36.86%	30,894	21,659	-29.9%
2	13.87%	40,718	32,488	-20.2%
3	11.78%	72,621	63,894	-12.0%
4	3.90%	106,636	81,221	-23.8%
5	5.96%	125,793	119,124	-5.3%
Total/Average	100.00%	44,153	35,142	-20.4%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Kane, McHenry

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	=(3)/(2)-1 CNA Rate Differential
1A	8.04%	19,793	12,995	-34.3%
1B	19.59%	25,315	19,493	-23.0%
1	36.86%	29,277	21,659	-26.0%
2	13.87%	38,587	32,488	-15.8%
3	11.78%	68,821	63,894	-7.2%
4	3.90%	101,056	81,221	-19.6%
5	5.96%	119,211	119,124	-0.1%
Total/Average	100.00%	41,842	35,142	-16.0%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

DuPage

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	$= (3)/(2) - 1$ CNA Rate Differential
1A	8.04%	17,607	12,995	-26.2%
1B	19.59%	22,519	19,493	-13.4%
1	36.86%	26,044	21,659	-16.8%
2	13.87%	34,326	32,488	-5.4%
3	11.78%	61,221	63,894	+4.4%
4	3.90%	89,896	81,221	-9.7%
5	5.96%	106,046	119,124	+12.3%
Total/Average	100.00%	37,222	35,142	-5.6%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Jackson

	(1)	(2)	(3)	(4) = (3)/(2) - 1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	23,071	10,143	-56.0%
1B	19.59%	29,508	15,214	-48.4%
1	36.86%	34,127	16,904	-50.5%
2	13.87%	44,979	25,357	-43.6%
3	11.78%	80,221	49,868	-37.8%
4	3.90%	117,795	63,392	-46.2%
5	5.96%	138,957	92,974	-33.1%
Total/Average	100.00%	48,773	27,428	-43.8%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Vermilion

	(1)	(2)	(3)	(4) =(3)/(2)-1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	20,886	10,143	-51.4%
1B	19.59%	26,713	15,214	-43.0%
1	36.86%	30,894	16,904	-45.3%
2	13.87%	40,718	25,357	-37.7%
3	11.78%	72,621	49,868	-31.3%
4	3.90%	106,636	63,392	-40.6%
5	5.96%	125,793	92,974	-26.1%
Total/Average	100.00%	44,153	27,428	-37.9%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Kankakee, Macon

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Rate Differential
1A	8.04%	17,607	10,143	-42.4%
1B	19.59%	22,519	15,214	-32.4%
1	36.86%	26,044	16,904	-35.1%
2	13.87%	34,326	25,357	-26.1%
3	11.78%	61,221	49,868	-18.5%
4	3.90%	89,896	63,392	-29.5%
5	5.96%	106,046	92,974	-12.3%
Total/Average	100.00%	37,222	27,428	-26.3%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Champaign, LaSalle

	(1)	(2)	(3)	(4) =(3)/(2)-1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	16,514	10,143	-38.6%
1B	19.59%	21,122	15,214	-28.0%
1	36.86%	24,427	16,904	-30.8%
2	13.87%	32,195	25,357	-21.2%
3	11.78%	57,421	49,868	-13.2%
4	3.90%	84,317	63,392	-24.8%
5	5.96%	99,464	92,974	-6.5%
Total/Average	100.00%	34,911	27,428	-21.4%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Sangamon

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	$= (3)/(2) - 1$ CNA Rate Differential
1A	8.04%	14,329	10,143	-29.2%
1B	19.59%	18,326	15,214	-17.0%
1	36.86%	21,194	16,904	-20.2%
2	13.87%	27,934	25,357	-9.2%
3	11.78%	49,821	49,868	+0.1%
4	3.90%	73,157	63,392	-13.3%
5	5.96%	86,300	92,974	+7.7%
Total/Average	100.00%	30,291	27,428	-9.5%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Winnebago

	(1)	(2)	(3)	(4) =(3)/(2)-1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	19,793	7,924	-60.0%
1B	19.59%	25,315	11,886	-53.0%
1	36.86%	29,277	13,207	-54.9%
2	13.87%	38,587	19,810	-48.7%
3	11.78%	68,821	38,959	-43.4%
4	3.90%	101,056	49,525	-51.0%
5	5.96%	119,211	72,636	-39.1%
Total/Average	100.00%	41,842	21,428	-48.8%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Bureau, Coles, DeKalb, Effingham, Ogle, Randolph

	(1)	(2)	(3)	(4) =(3)/(2)-1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	16,514	7,924	-52.0%
1B	19.59%	21,122	11,886	-43.7%
1	36.86%	24,427	13,207	-45.9%
2	13.87%	32,195	19,810	-38.5%
3	11.78%	57,421	38,959	-32.2%
4	3.90%	84,317	49,525	-41.3%
5	5.96%	99,464	72,636	-27.0%
Total/Average	100.00%	34,911	21,428	-38.6%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Grundy

	(1)	(2)	(3)	(4) =(3)/(2)-1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	14,329	7,924	-44.7%
1B	19.59%	18,326	11,886	-35.1%
1	36.86%	21,194	13,207	-37.7%
2	13.87%	27,934	19,810	-29.1%
3	11.78%	49,821	38,959	-21.8%
4	3.90%	73,157	49,525	-32.3%
5	5.96%	86,300	72,636	-15.8%
Total/Average	100.00%	30,291	21,428	-29.3%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Peoria

	(1)	(2)	(3)	(4) =(3)/(2)-1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	11,050	7,924	-28.3%
1B	19.59%	14,133	11,886	-15.9%
1	36.86%	16,345	13,207	-19.2%
2	13.87%	21,543	19,810	-8.0%
3	11.78%	38,422	38,959	+1.4%
4	3.90%	56,418	49,525	-12.2%
5	5.96%	66,553	72,636	+9.1%
Total/Average	100.00%	23,360	21,428	-8.3%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of ISMIE Mutual Insurance Company and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Remainder of State

	(1)	(2)	(3)	(4) =(3)/(2)-1
CNA Physician Class	Exposure Distribution	ISMIE Current Rate	CNA Indicated Rate	CNA Rate Differential
1A	8.04%	12,143	7,924	-34.7%
1B	19.59%	15,531	11,886	-23.5%
1	36.86%	17,961	13,207	-26.5%
2	13.87%	23,673	19,810	-16.3%
3	11.78%	42,222	38,959	-7.7%
4	3.90%	61,997	49,525	-20.1%
5	5.96%	73,135	72,636	-0.7%
Total/Average	100.00%	25,670	21,428	-16.5%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

CNA Insurance Companies
Physicians & Surgeons Professional Liability
Competitor Rate Comparison - ILLINOIS

Comparison of Current and Indicated CNA Rates
Mature Claims Made - \$1,000,000/\$3,000,000 Limit

Remainder of State

	(1)	(2)	(3)	(4)
CNA Physician Class	Exposure Distribution	CNA Current Rate	CNA Indicated Rate	= (3)/(2) - 1 CNA Indicated Change
1A	8.04%	19,283	7,924	
1B	19.59%	28,924	11,886	
1	36.86%	32,138	13,207	
2	13.87%	48,207	19,810	
3	11.78%	94,808	38,959	
4	3.90%	120,518	49,525	
5	5.96%	176,760	72,636	
Total/Average	100.00%	52,145	21,428	-58.9%

Note(s):

Exposure distribution based on statewide distribution of physicians from the 2007 American Medical Association Physician Characteristics and Distribution in the U.S. publication.

**CNA INSURANCE COMPANIES
ILLINOIS
Physicians & Surgeons Professional Liability**

Calculation of Permissible Loss & ALAE Ratio

(1) Target CNA ROE	15.0%
(2) 2007 Plan Loss & ALAE Ratio	66.7%
(3) <u>ULAE to Premium Ratio</u>	<u>4.5%</u>
(4) ULAE to Loss & ALAE	6.7%
(5) Acquisition - Commission	10.0%
(6) Acquisition - Change in DAC	0.0%
(7) Acquisition - Other	1.1%
(8) <u>Underwriting (Including premium tax)</u>	<u>9.7%</u>
(9) Expense Ratio (ER)	20.8%
(10) Present Value Premium Factor (60 day Lag) (PVP)	0.9922
(11) Present Value L&ALAE Factor PV ₁	0.8775
(12) Present Value ULAE Factor PV ₂	0.9272
(13) Leverage Ratio (L)	1.64
(14) Yield on Capital (Y)	4.5%
(15) Percent Investable (I)	70.0%
(16) Income Tax Rate (T)	35.0%
(17) Permissible Loss & ALAE Ratio (L&ALAE)	70.5%
(18) Targeted Combined Ratio	95.8%

**CNA INSURANCE COMPANIES
ILLINOIS
Physicians & Surgeons Professional Liability**

Calculation of Investment Income Adjustments

<u>Months</u>	<u>L&ALAE Incremental Payout Pattern</u>	<u>ULAE Incremental Payout Pattern</u>	<u>4.8% Discount Factor</u>	<u>L&ALAE Discounted Payout</u>	<u>ULAE Discounted Payout</u>
(1)	(2)	(3)	(4)	(5)	(6)
12	4.4%	52.2%	97.7%	4.3%	51.0%
24	28.4%	14.2%	93.2%	26.5%	13.2%
36	30.2%	15.1%	89.0%	26.9%	13.4%
48	16.6%	8.3%	84.9%	14.1%	7.0%
60	12.6%	6.3%	81.0%	10.2%	5.1%
72	4.8%	2.4%	77.3%	3.7%	1.9%
84	1.0%	0.5%	73.8%	0.7%	0.4%
96	0.9%	0.4%	70.4%	0.6%	0.3%
108	0.5%	0.3%	67.2%	0.3%	0.2%
120	0.3%	0.1%	64.2%	0.2%	0.1%
132	0.2%	0.1%	61.2%	0.1%	0.1%
144	0.1%	0.0%	58.4%	0.1%	0.0%
156	0.0%	0.0%	55.8%	0.0%	0.0%
	100%	100%		87.8%	92.7%

(4) = $(1.048)^{-((1) - 6) / 12}$
 (5) = (2) x (4)
 (6) = (3) x (4)

Continental Casualty Company
Continental Insurance Company
Physicians & Surgeons Professional Liability

Summary of Ancillary Rate Changes
State of Illinois - Remainder of State

At 100,000/300,000 Limits of Liability

Class Description	Prior Mature Rate	New Mature Rate	% Change
Physician Assistant	1,846	871	-52.8%
Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	3,692	871	-76.4%
H/L Perfusionist	3,692	1,046	-71.7%
Nurse Midwife	12,497	7,086	-43.3%
Nurse Anesthetist	12,355	1,743	-85.9%
Nurse Practitioners	475	751	58.1%

CNA HealthPro
for
Medical Practitioners Professional Liability Coverages

AMERICAN CASUALTY COMPANY OF READING, PA
CONTINENTAL CASUALTY COMPANY
NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
CONTINENTAL INSURANCE COMPANY

FILED

OCT 20 2009

STATE OF ILLINOIS



**CNA HealthPro
Medical Practitioners
Countrywide Pages**

I. APPLICATION OF MANUAL

- A. This manual provides rules, rates, premiums, classifications and territories for the writing of Medical Practitioners Professional Liability for the following Health Care Providers:
1. Physicians or Surgeons
 2. Osteopathic Physicians or Surgeons
 3. Podiatrists
- B. These company pages shall not apply to Hospital Professional Liability as set forth in:
1. Commercial Lines Manual, Professional Liability Division, VII, Medical Professional Liability, or
 2. Any independently filed Hospital Professional Liability Program by a CNA member company.
- C. Any exceptions to these rules are contained in the respective State Rate/Exception Pages.

II. COVERAGE

Coverage under this policy shall be as described in the respective Coverage Parts. It shall be permissible to attach more than one Coverage Part to the policy.

III. POLICY TERM

Policies may be written for a term of one year or less, and renewed annually thereafter, or as otherwise specified for the respective coverage.

IV. INDIVIDUAL PRACTICE

For the purpose of these rules, individual practice shall be defined as a solo practitioner, partner(s) of an insured partnership, officers of a professional corporation, or employed practitioners who are otherwise ineligible under the rules applicable to group practice.

V. GROUP PRACTICE

For the purpose of these rules, group practice shall be defined as a group of physicians rendering out-patient care who:

1. number 3 or more, and
2. are organized as a legal entity.

VI. BASIC LIMITS OF LIABILITY

Basic Limits of Liability for liability coverage under this program shall be:

1. Professional Liability: \$100,000 Each Claim / \$300,000 Aggregate

VII. POLICY WRITING MINIMUM PREMIUM

The minimum premium shall be \$250 per annual or lesser period, unless otherwise specified for the respective coverage.

VIII. INCREASED LIMITS OF LIABILITY

Increased Limits of Liability and the corresponding Increased Limit Factors shall be as shown on the State Rate Page for the respective Coverage Part.

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STATE OF ILLINOIS
DEPARTMENT OF INSURANCE



**CNA HealthPro
Medical Practitioners
Countrywide Pages**

IX. PREMIUM COMPUTATION

A. The premium shall be computed by applying the rate per practitioner, shown on the State Rate Page, to the total number of practitioners who are named insureds, partners of an insured partnership, officers of an insured professional corporation or employed practitioners of any named insured. The rates shall be applied in accordance with each practitioner's medical specialty and corresponding code number.

1. Compute the premium at policy inception using the rules, rates and rating plans in effect at that time. At each renewal, compute the premium using the rules, rates and rating plans then in effect.
2. Prorate the premium when a policy is issued for other than a whole year.
3. Premiums are calculated as specified for the respective coverage. Premium rounding will be done at the last step of the computation process in accordance with the Whole Dollar Rule, as opposed to rounding at each step.

B. LOCATION OF PRACTICE

The rates as shown in this manual contemplate the exposure as being derived from professional practice within the state. An exception will be allowed for those who derive 25% or less of their annual income from outside the state. Those who derive more than 25% of their annual income outside the state shall be referred to the Company for underwriting approval and rating.

C. FACTORS OR MULTIPLIERS

Individual premium modifications are to be applied multiplicatively, modifications from the Scheduled Rating Modification Plan are to be added together and then applied multiplicatively.

D. WHOLE DOLLAR RULE

In the event the application of any rating procedure applicable in accordance with this manual where the result is not a whole dollar, each rate and premium shall be adjusted as follows:

- i. any amount involving \$.50 or over shall be rounded to the next highest whole dollar amount;
- ii. any amount involving \$.49 or less shall be rounded down to the next lowest whole dollar amount.

E. RETURN PREMIUM

1. Deletion of any coverage, other than optional coverages, is not permitted unless the entire policy is cancelled.
2. Compute return premium at the rates used to calculate the policy premium at the inception of this policy period.
3. Compute return premium pro rata and round in accordance with the Whole Dollar Rule when any coverage or exposure is deleted or an amount of insurance is reduced.
4. Waive return premium of \$15.00 or less. Grant any return premium due if requested by the insured. This waiver only applies to cash exchange due on the endorsement effective date.
5. Retain the policy writing minimum premium.

F. PREMIUM PAYMENT PLAN

The Company may, at its discretion, offer to the named insured various premium payment options, ranging from monthly to annual payment plans. Any installment fees for this option will be as shown on the respective State Rate Page.

G. RESERVE PREMIUM AND/OR PROFIT SHARING

The Company may agree with a sponsoring organization for a sharing of the profits, if any, in accordance with a predetermined formula. In the event of such an agreement, the policy shall be endorsed to either reflect the profit utilization formula or add the pertinent portion of the agreement with the organization to the policy by reference.

Any monies developed in accordance with an agreement set forth above shall be made available to the insureds in accordance with the provisions of such agreement.

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H. ADDITIONAL PREMIUM CHARGES

1. Prorate all changes requiring additional premium.
2. Apply the rates and rules that were in effect at the inception date of this policy period. After computing the additional premium, charge the amount applicable from the effective date of the change, even if the policy inception premium was less than the policy writing minimum premium.
3. Waive additional premium of \$15.00 or less. This waiver only applies to cash exchange due on an endorsement effective date.

I. CLAIMS-MADE 'STEP' RULE

The proper step into which the insured is placed for rating purposes when claims-made coverage has been provided for less than annual periods, is determined as follows:

1. if claims-made coverage has been in effect for less than 6 months, step 1 rates apply;
2. if claims-made coverage has been in effect for "x" years plus less than 6 months, step "x" plus 1 applies;
3. if claims-made coverage has been in effect for "x" years plus 6 months or more, step "x" plus 2 applies.

Note: The value of "x" is the number of whole years.

X. POLICY CANCELLATIONS

- A. Compute return premium pro rata in accordance with the Whole Dollar Rule using the rules, rates and rating plans in effect at the inception of this policy period when:
 1. a policy is cancelled at the Company's request;
 2. the insured no longer has a financial or an insurable interest in the property or operations that is the subject of insurance;
 3. a policy is cancelled and rewritten in the same Company or Company group.
- B. If cancellation is for any other reason than stated in A. above, compute the return premium at .90 of the pro rata unearned premium for the one year period and round in accordance with the Whole Dollar Rule.
- C. Retain the Policy Writing Minimum Premium when the insured requests cancellation, except when a policy is cancelled as of the inception date.

XI. RESTRICTIONS OF COVERAGE OR INCREASED RATE

Subject to individual State Regulations, policies may be issued with special restrictions or at increased premium if:

- A. the insured agrees in writing; and
- B. the policy would not be written otherwise.

XII. EXTENDED REPORTING PERIOD COVERAGE (Claims-Made Coverage Only)

The availability of Extended Reporting Period Coverage shall be governed by the following rules:

- A. The limits of liability available for any Extended Reporting Period shall be as set forth in Policy.
- B. Available Extended Reporting Period options, and appropriate premium charges, shall be as shown in the applicable State Rate Page.
- C. The prior acts date of coverage with this Company will determine the years of prior exposure for Extended Reporting Period coverage.
- D. Premium must be paid promptly when due. Premium may be paid in advance, or at Company discretion, may be paid in three annual installments.
- E. Upon termination of coverage under this policy by reason of death, the deceased's unearned premium for this coverage will be waived and Extended Reporting Period Coverage will be granted for no additional premium charge.
- F. Upon termination of coverage under this policy by reason of disability or retirement by the named insured, Extended Reporting Period Coverage will be granted for no additional charge provided that, during the policy period:
 1. total and permanent disability occurs; or
 2. retirement takes place subject to the provisions as stated on the State Rate Page.
- G. In the event the policy is cancelled, any return premium due the insured shall be credited toward the premium for Extended Reporting Period Coverage, if the insured elects this coverage. If any premium is due for the period of time between the earlier of the policy's Prior Acts date or effective date and the termination date, any

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monies received by the Company from the insured shall first be applied to the premium owing for the policy and then to the Extended Reporting Period endorsement.

XIII. ADDITIONAL CLASSIFICATIONS

A. Disability/Leave of Absence

A practitioner who becomes disabled, or is on leave of absence for a period of 45 days or more, will be eligible for restricted coverage at a reduced rate. This would apply retroactively to the first day of disability or leave of absence. Rating basis as follows:

Disability/Leave of Absence	25% of Medical Specialty
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B. Part-Time

A part-time rate will apply to physicians or surgeons who work less than full-time rated hours. The rating basis is as follows:

Practice less than 20 hours per week	50% of Medical Specialty
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C. Teaching Physicians

To recognize the reduced exposure associated with practitioners away from their practice while teaching, a reduced rate will be charged upon the following basis:

Due to teaching, your weekly patient contact is limited to:	
(Less than 8 Hours per week)	35% of Medical Specialty
(8-16 hours per week)	50% of Medical Specialty
(17 hours or more per week)	100% of Medical Specialty

D. Physicians in Training

Following graduation from medical school, a physician may elect to enter additional training periods. For rating purposes, they are defined as follows:

1. Residency Program - various lengths of time depending upon medical specialty; 3 years average. Following first year residency, generally licensed M.D. Upon completion of residency program physician becomes board eligible;
2. Preceptorship - A preceptee is a non-licensed medical student or licensed physician continuing their education. A licensed physician preceptee shall, for the purposes of this program be considered as a part-time physician and added to the insured physician's policy;
3. Fellowship Program - Follows completion of residency and is a higher level of training.

NOTE: Do not confuse a physician in a fellowship training program with a fellow, for example, of American College of Surgeons, or fellow of American College of OB/GYN. These are honorary membership designations obtained by peer nomination and approval.

Rating basis as follows:

Residency Program	50% of Medical Specialty
Preceptee:	35% of Medical Specialty
Fellowship	100% of Medical Specialty

E. Locum Tenens Physician

Coverage for a physician substituting for an insured physician will be limited to cover only professional services rendered on behalf of an insured physician for the specified time period. Locum Tenens will share in the insured physician's Limit of Liability.

The Locum Tenens physician must complete an application and submit it to the Company in advance for approval prior to the requested effective date of coverage. Rating basis as follows:

Locum Tenens Physicians	No Charge
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F. Change of Exposure or Medical Specialty

In the event of a change in exposure or medical specialty of the practitioner, a charge reflecting the difference between the previous and such new exposure or specialty shall be calculated and collected at the time of such change unless:

1. otherwise eligible for Extended Reporting Period coverage at no charge;
2. with regard to medical specialty, both the prior and the current specialty fall within the same class;

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3. the exposure or medical specialty of the practitioner changed more than 4 years prior while insured under claims-made coverage; or
4. the exposure or medical specialty of the practitioner changed while insured under occurrence coverage.

G. Premium Adjustment - Claims-Made Only

The following procedure should be used to calculate the exposure surcharge applicable under Rule F., above:

1. Calculate the at limits Extended Reporting Period premium appropriate for:
 - a. the previous medical specialty or status according to the rates and rules contained herein; and
 - b. the premium appropriate for the current medical specialty or status.
2. If the at limits Extended Reporting Period premium for the current specialty or status:
 - a. is less than the premium for the previous medical specialty or status, the dollar amount of difference is the charge to be applied;
 - b. exceeds the premium for the previous medical specialty or status, there shall be no charge.

H. Clinical Practice

The majority of residency training is within a hospital. However, there are periods where clinical experience is required. If a group practice desires individual coverage for these physicians, they may be covered provided that:

1. they are under direct supervision of a clinical physician; and
2. their purpose in the clinic is to receive the experience as part of their overall training program.

This rule shall not apply if the training institution (i.e. hospital) provides Professional Liability coverage for the physician in training while outside the institution.

XIV. MISCELLANEOUS / ANCILLARY MEDICAL PERSONNEL

- A. Professional Liability coverage for miscellaneous medical personnel may be provided. Refer to State Rate Page for medical specialties and rating instructions.
- B. Premium shall be as shown on the State Rate Page.

XV. CORPORATION / PARTNERSHIP / PROFESSIONAL ASSOCIATION

It shall be permissible to provide coverage for a Health Care corporation, Professional Association, or partnership, for liability arising from the practice of medicine by member physicians. Such coverage may be provided as follows:

A. Individual Practice

1. Solo Practice:

on a shared Limit of Liability basis by endorsement to the policy, specifying such entity will share in the individual practitioner limit. In such case no additional premium shall be charged; or
2. All Others

on a separate Limit of Liability basis by naming the corporation/partnership/professional association on the policy. The Limit of Liability shall be equal to the highest limits provided to any one individual member physician. Additional premium shall be as shown on the State Rate Page. In this case, all ancillary personnel shall be added to this corporation limit, and not to the policy of the individual physician.

B. Group Practice

on a separate Limit of Liability basis by naming the corporation/partnership/professional association on the policy. The Limit of Liability shall be equal to the limits provided to the individual member physicians. Additional premium shall be as shown on the State Rate Page.

XVI. OPTIONAL COVERAGES / ENDORSEMENTS

- A. It shall be permissible to add any of the following optional coverages/endorsements as appropriate to the particular situation and in accordance with the minimum basic Limits of Liability indicated herein:
 1. Medical Laboratory

It shall be permissible to add a Medical Laboratory:

 - a. at no additional charge if such laboratory is not a separate entity. Coverage is limited to the testing of the insured's own patients.

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- b. as an additional insured at the premium charge shown on the State Rate Page, if such laboratory is a separate entity. Coverage is limited to the testing of the insured's own patients.

2. Deductibles/Self-Insured Retentions

Deductibles and self-insured retentions may be offered to qualified insureds.

3. First Aid Coverage Endorsement

When added to the practitioner(s) Professional Liability policy, coverage provided by this endorsement is limited to \$5000 per person for first aid expenses. Complete coverage details are explained on the endorsement

XVII. FULL-TIME EQUIVALENCY

It shall be permissible to add coverage for a Full-Time Equivalency position staffed by two or more part-time medical practitioners performing identical professional services for one job description, with their cumulative hours equivalent to one full-time medical practitioner.

The limits of liability apply separately to each position specifically named on the schedule, collectively with such incumbents who qualify for coverage under the definition of "you".

Compute the premium by applying the rates applicable to an individual physician charge for each Full-Time Equivalency position specifically named on the schedule.

XVIII. STAFF POSITION

It shall be permissible to add coverage for a specific Staff Position having a specific job description with professional services being performed by a medical practitioner.

The limits of liability apply separately to each staff position specifically named on the staff position schedule, collectively with such incumbents included as "you" by occupational description, and specifically named on such staff position schedule.

Compute the premium by applying the rates applicable to an individual physician charge for each Staff Position specifically named on the schedule.

XIX. SCHEDULED RATING MODIFICATION PLAN

The hazards of the practice of medicine vary with the organization, establishment of medical standards review and claims review committees, the effectiveness of such committees, loss prevention activities, professional liability claim experience, professional services rendered under written agreement, etc. To recognize specific characteristics unique to the risk, a rate modification as shown below may be applied based on the following:

1. Professional Liability Exposures

The maximum permissible modification of the Professional Liability premium(s) is as shown on the State Rate Page.

	<u>CREDIT</u>	<u>DEBIT</u>
a. <u>Loss Control Program</u>		
The underwriter will evaluate the procedures in place within the practice, including adherence to prior CNA recommendations.	0-10%	0-10%
b. <u>Practice Characteristics</u>		
The underwriter will evaluate the impact of contracts with managed care organizations on utilization, referrals, and overall quality of patient care.	0-15%	0-15%
c. <u>Continuing Education</u>		
Determine if the applicant's professional and para-professional staff participant in effective continuing medical education program(s);	0-5%	0-5%
d. <u>Unusual Risk Characteristics</u>	0-10%	0-10%

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Company pages found in this manual shall apply to this program subject to the following:
General Rule XII, sub-item D. is deleted in its entirety and replaced by the following:

Premium must be paid promptly when due. Premium may be paid in advance, or be paid in three annual installments.

A. Medical Practitioners - Claims-Made Rates: (at \$100,000/\$300,000 Limits of Liability)

Territory I: Cook, Madison, St. Clair, Will, and Jackson Counties

Class	Step Rates				
	1	2	3	4	5
1A	2,815	5,119	6,825	7,508	8,532
1	4,022	7,313	9,751	10,726	12,188
2A	4,827	8,776	11,701	12,871	14,626
2	5,631	10,238	13,651	15,016	17,064
3	7,240	13,163	17,551	19,306	21,939
4A	8,849	16,088	21,451	23,596	26,814
4	11,262	20,476	27,302	30,032	34,127
5	13,273	24,133	32,177	35,395	40,221
6	14,480	26,327	35,102	38,612	43,878
7	24,535	44,609	59,478	65,426	74,348
8	32,981	59,966	79,955	87,950	99,943

Territory II: DuPage, Kane, Lake, McHenry, Winnebago, and Vermillion Counties

Class	Step Rates				
	1	2	3	4	5
1A	2,200	3,999	5,332	5,866	6,665
1	3,142	5,713	7,618	8,379	9,522
2A	3,771	6,856	9,141	10,055	11,426
2	4,399	7,999	10,665	11,731	13,331
3	5,656	10,284	13,712	15,083	17,140
4A	6,913	12,569	16,759	18,435	20,948
4	8,798	15,997	21,329	23,462	26,662
5	10,370	18,854	25,138	27,652	31,423
6	11,312	20,568	27,423	30,166	34,279
7	19,168	34,851	46,468	51,114	58,084
8	25,767	46,848	62,465	68,711	78,081

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Territory III: Champaign, Grundy, Kankakee, LaSalle, Macon, Sangamon, Bureau, Coles, Dekalb, Effingham, Ogle, and Randolph Counties

Class	Step Rates				
	1	2	3	4	5
1A	1,716	3,119	4,159	4,575	5,199
1	2,451	4,456	5,942	6,536	7,427
2A	2,941	5,348	7,130	7,843	8,913
2	3,431	6,239	8,318	9,150	10,398
3	4,412	8,021	10,695	11,765	13,369
4A	5,392	9,804	13,072	14,379	16,340
4	6,863	12,478	16,637	18,301	20,796
5	8,088	14,706	19,608	21,569	24,510
6	8,824	16,043	21,390	23,529	26,738
7	14,951	27,184	36,245	39,869	45,306
8	20,098	36,542	48,722	53,595	60,903

Territory IV: Remainder of State

Class	Step Rates				
	1	2	3	4	5
1A	1,342	2,440	3,253	3,578	4,066
1	1,917	3,485	4,647	5,111	5,808
2A	2,300	4,182	5,576	6,134	6,970
2	2,684	4,879	6,505	7,156	8,132
3	3,450	6,273	8,364	9,201	10,455
4A	4,217	7,667	10,223	11,245	12,779
4	5,367	9,758	13,011	14,312	16,264
5	6,325	11,501	15,334	16,868	19,168
6	6,900	12,546	16,728	18,401	20,910
7	11,692	21,259	28,345	31,180	35,432
8	15,718	28,578	38,103	41,914	47,629

A 25% credit shall be applied to the medical practitioners' rate if the Limits of Liability are shared with all medical practitioners within a Corporation or Partnership.

B. Scheduled Rating Modification Plan

The maximum permissible modification of the Professional Liability premium(s) under the Schedule Rating Modification Plan is $\pm 25\%$.

C. Corporation/Partnership/Professional Association Charge:

1. If on a separate limit of liability basis, the rate is computed, per Corporation/Partnership/Professional Association, as up to 20% of the total developed professional liability premium for each practitioner and ancillary person charged a rate.
2. If a solo-practitioner desires coverage for the corporation/partnership/professional association, coverage can be provided for no additional premium charge, in which case the practitioner and the corporation/partnership/association share in the limit of liability.

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D. Optional Coverages:

Coverage

Rate

1. All Insureds:

First Aid Coverage Endorsement

Included

Medical Laboratory

25% of the Class 1 rate.

E. Ancillary Personnel - Claims-Made Rates

- The following ancillary personnel may be added to the Corporation policy (Individual Physicians policy if no Corporation) as additional named insureds at the premium shown below. Limits of Liability must be equal those of the Corporation (Individual Physicians) and shall apply separately to each individual:

Territory I: Cook, Madison, St. Clair, Will and Jackson Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	603	1,097	1,463	1,609	1,828
H/L Perfusionist	724	1,316	1,755	1,931	2,194
Nurse Midwife	4,907	8,922	11,896	13,085	14,870
Nurse Anesthetist	1,207	2,194	2,925	3,218	3,656
Nurse Practitioners	248	451	601	661	751

Territory II: DuPage, Kane, Lake, McHenry, Winnebago, and Vermillion Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	989	1,798	2,398	2,637	2,997
H/L Perfusionist	1,187	2,158	2,877	3,165	3,597
Nurse Midwife	8,044	14,626	19,501	21,451	24,376
Nurse Anesthetist	1,978	3,597	4,795	5,275	5,994
Nurse Practitioners	248	451	601	661	751

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Territory III: Champaign, Grundy, Kankakee, LaSalle, Macon, Sangamon, Bureau, Coles, Dekalb, Effingham, Ogle, and Randolph Counties

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	1,265	2,299	3,066	3,372	3,832
H/L Perfusionist	1,518	2,759	3,679	4,047	4,599
Nurse Midwife	10,286	18,702	24,936	27,429	31,170
Nurse Anesthetist	2,529	4,599	6,132	6,745	7,665
Nurse Practitioners	248	451	601	661	751

Territory IV: Remainder of State

(at \$100,000/\$300,000 Limits of Liability)

Class	Step Rates				
	1	2	3	4	5
Physician Assistant, Surgeon Assistants, O. R. Technicians, Paramedics, Scrub Nurse	288	523	697	767	871
H/L Perfusionist	345	627	836	920	1,046
Nurse Midwife	2,338	4,252	5,669	6,236	7,086
Nurse Anesthetist	575	1,046	1,394	1,533	1,743
Nurse Practitioners	248	451	601	661	751

- A 25% credit shall be applied to the ancillary personnel rate if the Limits of Liability are shared with the Corporation (Individual Physicians).
- The following ancillary personnel may be added to the Corporation policy as additional insureds at no additional charge, provided that Limits of Liability are on a shared basis:

All other under Code 80998
(Audiologist, Medical Aide,
R.N., L.P.N., Psychologist,
Research Ph.D.)
Full Time Medical Students
Medical Laboratory Technician
O.R. Technician (Code 80998)
Optometrist/Optician

Pharmacists

Physiotherapists
Dental Hygienist
Scrub Nurse (Code 80998)
X-Ray Technician
with/without Therapy

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F. Increased Limits:

<i>Desired Limit</i>	<i>Increase Factor</i>
\$100,000/300,000	1.00
\$500,000/1,000,000	1.76
1,000,000/1,000,000	2.09
1,000,000/3,000,000	2.15
{Higher Limits are available - Refer to Company.}	

G. Extended Reporting Period:

1. Automatic Extended Reporting Period

There is no additional premium charge for this coverage

2. Optional Extended Reporting Period

The additional premium for the optional extended reporting period shall be based on the rates for such coverage in effect on the date the Policy terminated.

The factors in the following table shall be applied to the mature claims-made rate in effect at the inception of the last claims-made policy:

Years of Prior Claims Made Coverage	Installment Factors			Prepaid Factors
	1st Year	2nd Year	3rd Year	
1	.36	.34	.28	0.92
2	.58	.55	.39	1.43
3	.67	.55	.59	1.70
4 or more	.84	.55	.59	1.87

3. Death or Disability Extended Reporting Period

There is no additional premium charge for this coverage.

4. Retirement Extended Reporting Period

- A. There is no additional premium charge for this coverage. provided that retirement takes place during the policy period and the insured is:
- age 55 or older and has been insured by us for at least 5 years of claims-made coverage; or
 - any age and has been insured by us for at least 10 years of claims-made coverage.

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- B. The Retirement Extended Reporting Period coverage will be granted with the following discounts, provided the above rule does not apply, and retirement takes place subject to the following schedule:

<u>Years of Continuous Coverage with a CNA Company</u>	<u>Premium Discount</u>
9	90%
8	80%
7	70%
6	60%
5	50%
4	40%
3	30%
2	20%
1	10%

- Years of coverage must be with a CNA group company on a Claims-Made basis.

H. Quarterly Installment Option

Section F. Premium Payment Plan of the company pages is deleted in its entirety and replaced with the following:

The company will offer to the Named Insured a premium payment option as follows:

- Each quarterly premium payment will be 25% of the total annual premium;
- There will be no interest charges;
- There will be quarterly installment charges equal to the lesser of 1% of the total annual premium or \$25.00;
- Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.
- Second, third, and fourth quarterly premium payments will be due three, six, and nine months, respectively, after policy inception.

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I. Medical Practitioners Classifications

Each medical practitioner is assigned a classification code according to their medical specialty. When more than one classification is applicable, the highest rate classification shall apply.

Class 1A -

<u>Medical Specialty</u>	<u>Code</u>
Administrative Medicine	80178
Allergy/Immunology	80254
Diabetes - no surgery	80237
Forensic or Legal Medicine	80240
General Preventive Medicine	80231
Nephrology - no surgery	80260
Ophthalmology - no surgery	80263
Pathology - All Other	80266
Preventive Medicine - no surgery - Aerospace Medicine	80230
Preventive Medicine - no surgery - Occupational Medicine	80233
Preventive Medicine - no surgery - Public/General Health Medicine	80236
Psychiatry - All Other	80249

Class 1 -

<u>Medical Specialty</u>	<u>Code</u>
Cardiovascular Disease - no surgery	80255
Dermatology - no surgery	80256
Diabetes - minor surgery	80271
Endocrinology - no surgery	80238
Family/General Practice - no surgery	80420
Gastroenterology - no surgery	80241
Geriatrics - no surgery	80243
Gynecology - no surgery	80244
Hematology - no surgery	80245
Hospitalists	80222
Infectious Disease	80246
Internal Medicine - no surgery	80257
Neoplastic Diseases - no surgery	80259
Nephrology - minor surgery	80287
Nuclear Medicine	80262
Nutritionist	80248
Oncology - no surgery	80302
Otorhinolaryngology - no surgery	80265
Pathology - Cytopathology	80292
Pediatrics - no surgery	80267
Pharmacology - clinical	80234
Physical Medicine and Rehabilitation - All Other	80235
Physicians - no surgery - NOC	80268
Preventive Medicine - no surgery - Undersea/Hyperbaric Medicine	80139
Pulmonary Diseases - no surgery	80269
Rheumatology - no surgery	80252
Sports Medicine - no surgery	80205
Urgent Care Medicine	80424
Urology - no surgery	80121

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Class 2A -

<u>Medical Specialty</u>	<u>Code</u>
Anesthesiology - All Other	80181

Class 2 -

<u>Medical Specialty</u>	<u>Code</u>
Dermatology - minor surgery	80282
Endocrinology - minor surgery	80272
Family/General Practice - minor surgery - excluding obstetrics	80421
Gastroenterology - minor surgery	80274
Gynecology - minor surgery	80277
Intensive Care Medicine	80283
Internal Medicine - minor surgery	80284
Neurology - including child - no surgery - All Other	80261
Ophthalmology - minor surgery	80289
Otorhinolaryngology - minor surgery	80291
Phys. - no major surgery - Acupuncture	80437
Phys. - no major surgery - Angiography, Arteriography, Catheterization	80422
Phys. - no major surgery - Colonoscopy, ERCP, esophageal dilation	80443
Phys. - no major surgery - Discograms, Myelography, Pneumoenceph.	80428
Phys. - no major surgery - Lymphangiography, Phlebography	80434
Phys. - no major surgery - Needle Biopsy	80446
Phys. - no major surgery - Radiopaque Dye	80449
Phys. - no major surgery - Shock Therapy	80431
Physicians - minor surgery - NOC	80294
Physicians or Surgeons Assistants	80116
Radiology - Diagnostic	80253
Radiology - Therapeutic	80359
Surgery - Ophthalmology	80114
Urology - minor surgery	80120

Class 3 -

<u>Medical Specialty</u>	<u>Code</u>
Anesthesiology - Chronic Pain Management	80182
Bronco - Esophagology	80101
Cardiovascular Disease - minor surgery	80281
Dermatology - All Other	80297
Neonatology - non-critical care	80804
Podiatrists - below the ankle	80993
Radiology - Diagnostic - Including Interventional	80280
Radiology - Therapeutic - Including Interventional & Radiation TX	80358
Surgery - Colon & Rectal	80115
Surgery - Maxillofacial	80210
Surgery - Otorhinolaryngology	80159
Surgery - Pediatric	80180
Surgery - Urological	80145

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Medical Practitioners
State Rate/Exception Pages
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Class 4A –

<u>Medical Specialty</u>	<u>Code</u>
Emergency Medicine - no major surgery	80102
Podiatrists - above the ankle	80993a
Surgery - Gastroenterology	80104

Class 4 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Family/General Practice - Incl. OB	80117
Surgery - General - Excluding Bariatric	80143
Surgery - Gynecology	80167
Surgery - Neoplastic Diseases/Oncology	80107

Class 5 –

<u>Medical Specialty</u>	<u>Code</u>
Emergency Medicine - including major surgery	80157
Neonatology - critical care	80804a
Surgery - Abdominal	80166
Surgery - Hand	80169
Surgery - Head and Neck	80170
Surgery - Orthopedic - excluding spine	80154
Surgery - Plastic - NOC	80156
Surgery - Plastic - Otorhinolaryngology	80155
Surgery - Trauma	80171

Class 6 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Cardiac	80141
Surgery - Cardiovascular Disease	80150
Surgery - Orthopedic - including spine	80154a
Surgery - Thoracic	80144
Surgery - Vascular	80146

Class 7 –

<u>Medical Specialty</u>	<u>Code</u>
Perinatology	80804b
Surgery - General - Including Bariatric	80143a
Surgery - Obstetrics - Gynecology	80153

Class 8 –

<u>Medical Specialty</u>	<u>Code</u>
Surgery - Neurology - including child	80152

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Ancillary Medical Personnel

The following medical personnel have been assigned the specialty classification codes as shown:

<u>Medical Specialty</u>	<u>Code</u>
Heart/Lung Perfusionist	80945
Nurse Midwife	80962
Nurse Practitioner	80998
Nurse Anesthetist	80960
Paramedics	80116
Physician Assistant	80116
Scrub Nurse/Operating Room Technician:	
1. whose duties require them to assist & remain in the O.R. for a surgical procedure.	80116
2. whose duties are to set up the O.R., but who do not remain in O.R. during a procedure.	80998
Surgeon Assistant	80116

Additional Classifications (Corporation/Partnership/Professional Association):

Corporation/Partnership/Professional Association	80999
Medical Laboratory	80715

The following classifications identify additional potential exposures applicable to each individual Group Practice. These classifications require prior underwriting approval by the Company.

Clinical Surgery Center	80610
Emergency Room	80610
Medical Facility	80610 / 80611

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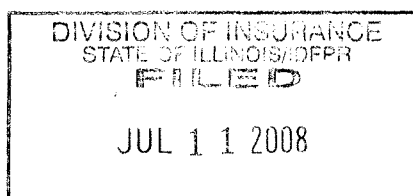
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Hospital Professional Liability and Ancillary Coverages
State of Illinois**

Definitions

Acute Beds:	All medical-surgical beds including pediatrics, special care, intensive care and burn units. Included in this category are newborn bassinets and neonatal intensive care beds. Any licensed medical-surgical bed defined under another category should not be included in this category.
Deliveries:	The actual number of deliveries including stillbirths during the policy period. Do not include infants transferred from other institutions.
Occupied Beds:	Licensed beds times (x) occupancy rate or number of inpatient days for the policy period divided by 365 days.
Psychiatric Beds:	Provide acute care to emotionally disturbed patients including, but not limited to, the chronically mentally ill, mentally disordered or other mentally incompetent persons.
Chem/Rehab/ Skilled Nursing Beds:	Include in this category alcoholism/substance abuse units, rehabilitation units, and skilled nursing beds (that is, for patients not in an acute phase of illness. Services are provided under the supervision of a licensed registered nurse on a 24-hour basis.)
Extended Care:	Provide intermediate care (the provision of health-related care and services, on a regular basis of health-related care and services to individuals who do not require the degree of care or treatment that a skilled nursing unit is designed to provide), typically in nursing home type units. Skilled nursing beds should be included with Chem/Rehab beds.
Outpatient Visits:	The actual number of persons (counting each visit) who come through the door and use your outpatient facilities or services. Office visits to hospital owned physician practices should be counted in this category as outpatient visits.

(1) Use visits rather than occasions of service. For example, a patient referred to the hospital by a physician for a laboratory test and an x-ray would be counted as one visit but two occasions of service. A visit is a person's physical threshold crossing into a facility which may involve multiple occasions of service from more than one clinical department.

(2) For serial visits or registrations, whereby several visits are necessary for the same type of treatment, use visits or occasions of service rather than number of registrations. For example, if a chemotherapy registration commonly requires 8 visits or episodes of treatment and there are 100 chemotherapy registrations, report 800 outpatient visits.



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Definitions (continued)

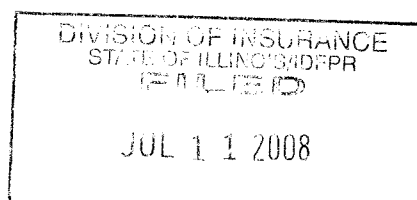
(3) Registrations through the emergency room for "23 hour" observations services should be reported as emergency room or all other outpatient visits (as currently registered by the institution).

(4) Specimens delivered for evaluations do not constitute OPV's.

Emergency Room Visits: Unscheduled outpatient services (including psychiatric emergency) to patients whose conditions are considered to require immediate care. These visits may occur in a hospital or urgent/walk-in facility.

Other Outpatient Visits: Scheduled or unscheduled professional contact visits, outpatient therapy and treatment visits, and ancillary service visits not performed in the emergency room.

Outpatient Surgical Visits: Scheduled surgical services provided to patients who do not remain in the hospital overnight. The surgery may be performed in operating suites also used for inpatient surgery, specially designated surgical suites for ambulatory surgery, or procedure rooms within an ambulatory care facility.



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A. Professional Liability Rates - Limits of Liability - \$100,000/\$300,000

Territory 1
Remainder of State

Class	Claims-Made Step Rates					
	1	2	3	4	5	6+
<u>Per Occupied Bed</u>						
Acute	\$643.28	\$1,217.77	\$1,437.50	\$1,502.94	\$1,561.38	\$1,613.59
Extended Care	64.33	121.78	143.75	150.29	156.14	161.36
Psychiatric	450.30	852.44	1,006.25	1,052.06	1,092.97	1,129.51
Rehabilitation	321.64	608.89	718.75	751.47	780.69	806.80
 Per Delivery	 11.58	 21.92	 25.88	 27.05	 28.10	 29.04
Per InPt. Surgery	4.50	8.52	10.06	10.52	10.93	11.30
Per OutPt. Surgery	4.50	8.52	10.06	10.52	10.93	11.30
 <u>Per 100</u>						
ER Visits	96.49	182.67	215.63	225.44	234.21	242.04
Other OPV Visits	45.03	85.24	100.63	105.21	109.30	112.95
Home Healthcare	19.30	36.53	43.13	45.09	46.84	48.41

Territory 2
Cook, St. Clair, and Madison Counties

Class	Claims-Made Step Rates					
	1	2	3	4	5	6+
<u>Per Occupied Bed</u>						
Acute	\$1,383.72	\$2,619.38	\$3,092.01	\$3,232.78	\$3,358.48	\$3,470.78
Extended Care	138.37	261.94	309.20	323.28	335.85	347.08
Psychiatric	968.60	1,833.57	2,164.41	2,262.95	2,350.94	2,429.55
Rehabilitation	691.86	1,309.69	1,546.01	1,616.39	1,679.24	1,735.39
 Per Delivery	 24.91	 47.15	 55.66	 58.19	 60.45	 62.47
Per InPt. Surgery	9.69	18.34	21.64	22.63	23.51	24.30
Per OutPt. Surgery	9.69	18.34	21.64	22.63	23.51	24.30
 <u>Per 100</u>						
ER Visits	207.56	392.91	463.80	484.92	503.77	520.62
Other OPV Visits	96.86	183.36	216.44	226.29	235.09	242.95
Home Healthcare	41.51	78.58	92.76	96.98	100.75	104.12

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**B. Employed Physicians, Residents, and Fellows Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000**

Rate using filed Continental Casualty Company rates, without application of longevity or loss prevention credit. Apply 25% credit for shared limits and defense with hospital for limits up to \$1 million. For higher limits, refer to company.

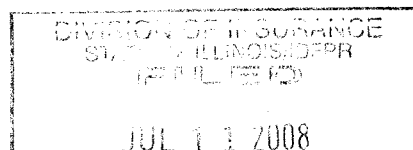
**C. Other Employees Subject to Individual Rating Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000**

Rate the following types of employees using filed Continental Casualty Company rates:

Physician Assistants	Nurse Anesthetists
Surgeon Assistants	Dentists
Nurse Midwives	Oral Surgeons

**D. Healthcare Ancillary Business Professional Liability Rates
- Limits of Liability \$100,000 / \$300,000**

1. *Managed Care Organizations* - Rate based upon hospital outpatient visit rate and physician exposures, including credit for shared limits and defense, if applicable. Add 5% surcharge for managed care.
2. *Kidney Dialysis Centers* - Rate based upon other outpatient visit rate.
3. *Contract Chemical Dependency Units* - Charge extended care rate for occupied beds; charge 50% of other outpatient visit rate.
4. *Birthing Center* - Charge based upon bed rate, delivery rate, and other outpatient visit rate.
5. *Pathology Laboratory* - \$1.50 per \$100 of gross revenue.
6. *Pharmacy* - \$1.50 per \$100 of gross revenue.
7. *Medical Equipment Rental* - \$0.50 per \$100 of gross revenue.
8. *Urgent Care Clinics* - Rate based upon employed physicians and other outpatient visit rate.
9. *Home Healthcare* - Rate based upon home healthcare visit rate.
10. *Free-standing Nursing Facilities:*
 - Skilled Nursing* - 50% of extended care rate per occupied bed.
 - Intermediate Nursing* - 30% of extended care rate per occupied bed.
 - Personal Care and Individual Living* - 20% of extended care rate per occupied bed.
11. *Emergency Physicians Groups* - Rate based upon number of full-time equivalent physicians.
If full-time equivalent physician count is not available, rate using 2.6% of the physician rate per 100 visits for the physician exposures. (Emergency room visit rate is also applicable to the other outpatient visits, for hospital coverage.)



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E. Increased Limits

<u>Desired Limits</u>	<u>Increased Limit Factors</u>
\$100,000 / \$300,000	1.000
\$250,000 / \$750,000	1.381
\$1,000,000 / \$1,000,000	1.957
\$1,000,000 / \$3,000,000	2.060
\$2,000,000 / \$4,000,000	2.580
\$3,000,000 / \$5,000,000	2.950

F. Extended Reporting Period

The factors in the following table shall be applied to the mature claims-made rate in effect at the inception of the last claims-made policy.

Years of Prior Claims-Made Coverage	Installment Factors			Unlimited Prepaid Factors
	1st Year	2nd Year	3rd Year	
1	0.32	0.27	0.17	0.74
2	0.53	0.31	0.25	1.05
3	0.60	0.40	0.25	1.19
4	0.67	0.40	0.25	1.27
5 or more	0.69	0.41	0.26	1.31

- A free five year ERP will be offered; or
- An unlimited ERP with the limits reinstated will be offered;
- The premium will be capped at 200% of the annual premium of the expiring policy; and
- The insured will be given a free-60 day period after the end of the policy to request the coverage.

G. Hospital General Liability Rates - Limits of Liability - \$100,000/\$300,000

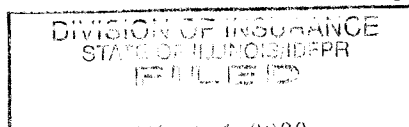
To obtain rates for hospital general liability, multiply the hospital professional liability rates for the same limits, deductible, and maturity by 8%.

H. Inclusion of Hospital Required

Since this is a hospital professional liability program, these rates apply only when one or more hospitals together with affiliated health care providers are rated.

I. Umbrella Coverage

Umbrella Liability Coverage is available to 1) provide coverage for those sums in excess of the amount payable under primary insurance and 2) provide coverage for bodily injury, property damage, personal injury or advertising injury claims brought against those covered. These risks will be individually rated, based upon primary premium and limits purchased, loss experience, scope of underlying coverages, scope of this umbrella coverage, and any other unique or unusual characteristics.



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EXPERIENCE RATING PLAN

A. Eligibility

This plan may apply to the hospital professional liability, physician and surgeon professional liability, other professional liability, and general liability experience of a health care facility or an affiliated group of health care providers which includes at least one health care facility.

The experience of all members of an affiliated group of health care providers may be combined to establish an experience rating applicable to the group. The experience modification so established shall be applied uniformly to all participating members.

B. Application of Modification

The experience modification, determined according to the procedures described in this manual, applies to the manual premium at \$1,000,000/\$3,000,000 limits (or the policy limits, if less than \$1,000,000/\$3,000,000).

In addition to any experience rating modification developed under this plan, a modification reflecting specific risk characteristics may be applied to the premium for the health care facility or affiliated group, in accordance with the Schedule Rating Table, which is part of this plan.

C. Experience Used

The experience modification factor will be determined using loss data compiled on a report year basis. Report year data may include a combination of experience compiled under prior claims-made and occurrence policies, compiled on the basis of the report date of the losses.

The experience modification will be determined from the latest available five complete report years of experience. In the event that the experience for the full five year period is not available, the total experience which is available (subject to a minimum of one complete report year) is to be used.

The experience period will end at least six months prior to the effective date of the experience modification being established. Experience incurred by other companies or self-insured experience may be used subject to the periods described above and given credence in accordance with its apparent reliability.

D. Experience Period Premium at Present Rates

The experience period premium at present rates is the total of the premiums computed by extending the actual exposures developed during the experience period at present manual rates for \$100,000 limits. If loss data is available such that each report year is mature (that is, if the retroactive date is at least 5 years prior to the effective date of the experience year), then the experience period premium will be the mature claims made premium extended by the exposures. If the retroactive date is less than 5 years before the effective date of the experience year, then the exposures will be extended by the appropriate claims-made rates.

Ratable exposures in effect during the experience period may be estimated if not available.



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E. Experience Period Premium Subject to Experience Rating

The experience period premium is the premium calculated in D, multiplied by the following adjustments for trend:

<u>Experience Period Year</u>	<u>Multiplier</u>
Latest Report Year	.80
2nd Latest Report Year	.71
3rd Latest Report Year	.64
4th Latest Report Year	.61
5th Latest Report Year	.58

F. Losses Subject to Experience Rating

The losses subject to experience rating include paid and outstanding losses. The indemnity portion of each claim is to be limited to \$100,000 per claim, with no aggregate limit. Allocated loss adjustment expenses are then added and are subject to no limitation.

G. Actual Loss Ratio

The actual loss ratio for the risk is determined by dividing the "Losses Subject to Experience Rating" by the "Experience Period Premium Subject to Experience Rating".

H. Credibility

The credibility is calculated as the square root of

$$\frac{\text{Experience Period Premium Subject to Experience Rating}}{\$8,000,000}$$

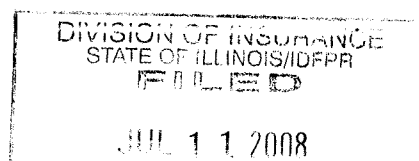
The maximum credibility a risk may receive is .50.

I. Experience Modification

The experience modification shall be determined by application of the following formula, with the expected loss ratio equal to 75.0%.

$$((\text{Actual Loss Ratio} - \text{Expected Loss Ratio}) / (\text{Expected Loss Ratio})) \times \text{Credibility}$$

For rate calculation, the experience modification must be added to 1.00, to produce an experience modification multiplier. The experience modification multiplier is limited to a minimum of .75, and a maximum of 1.5.



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J. Schedule Rating

The hazard of a health care facility, or of an affiliated group of health care providers which includes at least one health care facility, varies with the organization, loss prevention activities, the types of services rendered, and other factors. To a significant extent these factors can be expected to be reflected in the loss experience. However, many facilities/groups are not large enough to have significant credibility in their historical loss experience, or have not been in business in their current organizational form for a very long period. Recent changes may have been made in loss prevention programs. To recognize these and other factors peculiar to a particular health care provider or group, it shall be permissible to apply a debit or credit to the rates and premiums otherwise developed, dependent upon the underwriter's overall evaluation of the risk. The table below identifies the characteristics applicable for rating and the credit and debit ranges for them. The maximum net schedule or debit may not exceed 25%.

Schedule Rating Table

	<u>Maximum Credit/Debit</u>
1. <u>Loss Control Program</u>	
The underwriter will evaluate the procedures in place with the facility or group, including adherence to prior CNA recommendations.	+/- 10%
2. <u>Accreditation</u>	
The underwriter will determine whether the risks in the group are accredited by the appropriate authority (Joint Commission on Accreditation of Hospitals; Accreditation Association for Ambulatory Health Care; or similar agencies).	+/- 5%
3. <u>Patient Advocate Program</u>	
The underwriter will determine whether a mechanism exists for patients or their families to communicate concerns about the institution, and will determine whether a program exists for early intervention when a problem exists.	+/- 5%

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4. Physician Insurance Limits

All physicians practicing at the health care facility (or facilities) are required to carry liability insurance limits of at least \$1,000,000/\$3,000,000. +/- 5%

5. Continuing Education Program

Existence of a continuing education program including risk management topics for employed and staff physicians, administration, governing board, and nurses. +/- 5%

6. Unusual Risk Characteristics

+/- 10%

Credit for Shared Limits and Defense

If physicians and hospitals are written in a combined program such that

- (1) for each occurrence, the limit of liability applies to the combined indemnity costs of all physicians and the hospital,
- (2) the company is permitted to provide a common defense for all physicians and the hospital, when both are named in suits arising from a single occurrence,

Then the physician premium shall receive a 25% rate credit.

Quarterly Installment Option

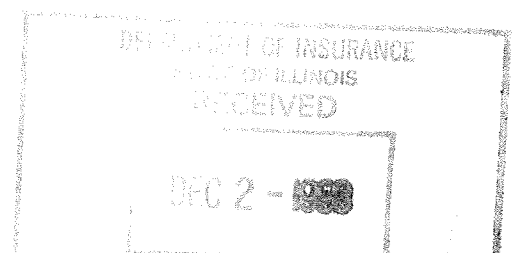
The company will offer to the Named Insured a premium payment option as follows:

- a. Each quarterly premium payment will be 25% of the total annual premium;
- b. After the initial payment is made at policy issuance, the three remaining installments are due 3, 6, and 9 months from policy issuance;
- c. There will be no interest charges;
- d. There will be quarterly installment charges equal to the lesser of 1% of the total annual premium or \$25.00;
- e. Any additional premium resulting from changes to the policy, mid-term, shall be spread equally over the remaining installment payments.

**CONTINENTAL INSURANCE
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EXHIBIT III	-	COUNTRYWIDE RATE LEVEL INDICATIONS
EXHIBIT IV	-	EXPENSE EXPERIENCE
EXHIBIT V	-	LOSS DEVELOPMENT EXPERIENCE
EXHIBIT VI	-	LOSS ADJUSTMENT EXPENSE EXPERIENCE
EXHIBIT VII	-	INVESTMENT INCOME EXHIBIT



CONTINENTAL INSURANCE PRESIDENT HEALTH CARE FACILITY PROGRAM

EXHIBIT I
SHEET 1

2. ELIGIBILITY

A. The following classes are eligible for the application of the rules and rates contained on these additional rule pages:

FACILITY CLASSIFICATION	PRIMARY MEDICAL SERVICES PERFORMED
Level IV	<ul style="list-style-type: none">-ventilator care-wound management-post-operative/trauma recovery-intravenous, antibiotic, hydration, therapy-spinal cord/head injury mgmt-oncology-total parenteral nutrition (TPN)-blood/plasma transfusion
Level III	<ul style="list-style-type: none">-administering medications, injections-catheter insertion and sterile irrigation-administering of oxygen and inhalation therapy-routine changing of dressing-tube feeding-preventive turning - no physical care
Level II	<ul style="list-style-type: none">-administering oral medications-assistance with activities of daily living (ADL) bathing, dressing, walking, eating-supportive care
Level I	<ul style="list-style-type: none">-assistance with medications-guidance with activities of daily living (ADL)

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EXHIBIT I
SHEET 2

5. OPTIONAL COVERAGES

C. Resident Health Care Professional Liability Coverage Form (SACOO 526 or SACOO 527)

The rates for this coverage are as follows:

	<u>Territory</u>	<u>Level IV Facility</u>	<u>Level III Facility</u>	<u>Level II Facility</u>	<u>Level I Facility</u>
Occ	1	421.76	351.46	191.60	63.08
	4	416.35	346.96	187.09	60.93
	6	419.17	349.31	189.44	63.47
	7	421.05	350.87	191.01	63.28
	8	418.46	348.72	188.86	61.91
	9	419.87	349.90	190.03	63.08
	14	415.88	346.56	186.70	61.32
C-M	1	404.83	337.36	183.96	60.54
	4	399.66	333.05	179.65	58.58
	6	402.48	335.40	181.80	60.93
	7	404.12	336.77	183.37	60.73
	8	401.77	334.81	181.22	59.36
	9	403.18	335.99	182.39	60.54
	14	399.19	332.66	179.26	58.77

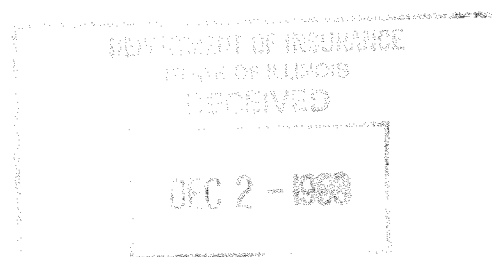
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C. The basic limits rates contemplates limits of \$100,000 per occurrence and \$300,000 aggregate. The aggregate only applies to the professional liability coverage. Use the reased limits table below to increase these limits.

EXHIBIT I
SHEET 3

Increased Limits	Factors
25/75	0.73
100/100	0.99
100/300	1.00
250/500	1.10
300/300	1.13
300/500	1.15
500/500	1.17
500/1000	1.20
1000/1000	1.30
1000/2000	1.32



INCREASED LIMITS FACTOR REVISION

Updating of increased limits factor table
(changing base from 25/75 to 100/300)

Limit	Present Factor (25/75 base)	Present Factor (100/300 base)
25/75	1.00	0.73
100/100	1.35	0.99
100/300	1.37	1.00
250/500	1.50	1.09
300/300	1.70	1.24
300/500	1.74	1.27
500/500	1.95	1.42
500/1,000	2.00	1.46
1,000/1,000	2.25	1.64

Offset to rates to go from 25/75 base to 100/300 base: 1.37

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INCREASED LIMITS FACTOR REVISION

Effect of adopting ISO increased limits factors for Nursing Homes

Limit	Present Factor	Revised Factor	% Change	% Premium
10,000	0.70	0.70	0.0%	0.0%
50,000	0.75	0.75	0.0%	0.5%
75,000	0.80	0.80	0.0%	0.1%
300,000	1.24	1.12	-9.5%	0.2%
500,000	1.42	1.17	-17.6%	0.6%
1,000,000	1.64	1.30	-20.7%	22.4%
2,000,000	1.75	1.46	-16.6%	0.1%
300/600	1.28	1.15	-10.2%	0.0%
300/AO	1.24	1.12	-9.7%	0.1%
500,000	1.42	1.17	-17.6%	0.7%
500/1,000	1.46	1.20	-17.8%	0.2%
500/1,500	1.50	1.22	-18.7%	0.3%
1,000,000	1.64	1.30	-20.7%	28.9%
1,000/3,000	1.86	1.35	-27.4%	5.9%
1,000/AO	1.64	1.30	-20.7%	23.8%
2,000/AO	2.20	1.46	-33.6%	8.4%
5,000/AO	2.50	1.78	-28.8%	5.1%
10,000/AO	3.00	2.40	-20.0%	2.8%
Total			-22.9%	100.0%

Offset to rates for adoption of ISO ILF's: 1.30

AO – All Other

CONTINENTAL INSURANCE
RESIDENT HEALTH CARE FACILITY PROGRAM
II OIS

DEC 2 - 1990

CONTINENTAL INSURANCE
RESIDENT HEALTH CARE FACILITY PROGRAM
I OIS

EXHIBIT III

CONTINENTAL INSURANCE COMPANY – RESIDENTIAL HEALTH CARE FACILITIES

COUNTRYWIDE DATA

POLICY	WRITTEN	PREMIUM	ADJUSTED
<u>YEAR</u>	<u>PREMIUM</u>	<u>TREND</u>	<u>PREMIUM</u>
1988	19,786,515	1.247	24,680,180
1989	22,243,213	1.198	26,651,754
1990	25,818,840	1.151	29,717,637
1991	28,890,221	1.106	31,943,146

POLICY	INCURRED	LOSS	LOSS DEV	ADJUSTED	ADJUSTED
<u>YEAR</u>	<u>LOSSES</u>	<u>TREND</u>	<u>FACTOR</u>	<u>LOSSES</u>	<u>RATIO</u>
1988	17,993,972	1.527	0.952	26,157,404	1.060
1989	13,208,705	1.414	0.958	17,890,919	0.671
1990	17,545,814	1.309	1.016	23,337,287	0.785
1991	19,868,707	1.212	1.219	29,358,421	0.919

**PREMIUMS AND LOSSES ADJUSTED FROM AVERAGE DATE OF COVERAGE TO
ONE YEAR PAST PROPOSED EFFECTIVE DATE OF 7/1/93**

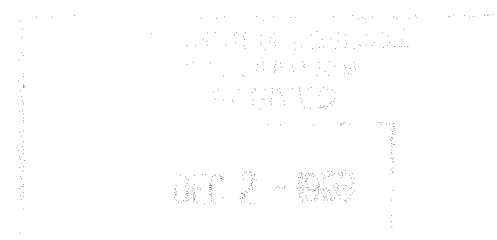
EXPECTED LOSS AND LAE RATIO

OTHER ACQUISITION EXPENSE	3.0%
GENERAL EXPENSE	8.5%
COMMISSION EXPENSE	17.0%
TAXES, LICENSES, FEES	2.3%
PROFIT AND CONTINGENCIES *	-8.1%
TOTAL EXPENSES	22.7%
EXPECTED LOSS AND LAE RATIO	77.3%

* INCLUDES 5.0% PROFIT PROVISION MINUS INVESTMENT INCOME PROVISION OF
13.1%

INDICATED RATE LEVEL CHANGE

AVERAGE LOSS RATIO	0.859
LOSS ADJUSTMENT EXPENSE FACTO	1.350
AVERAGE LOSS AND LAE RATIO	1.159
EXPECTED LOSS AND LAE RATIO	0.773
INDICATED CHANGE	50.0%



CONTINENTAL INSURANCE COMPANIES
GENERAL LIABILITY
1993 INDICATION REVIEW: UNDERWRITING EXPENSES

OTHER LIABILITY		1986	1987	1988	1989	1990	1991
(1)	ADJUSTED DIRECT PREMIUMS WRITTEN (86-89 IEE Line 14, 90-91 IEE Line 16)	363,207	405,767	450,229	528,928	361,786	208,283
(2)	ADJUSTED DIRECT PREMIUMS EARNED (86-89 IEE Line 15, 90-91 IEE Line 17)	330,741	372,719	436,874	544,382	307,855	301,424
(3)	GENERAL EXPENSES INCURRED (IEE Line 7)	12,865	18,447	19,130	48,037	32,809	23,975
(4)	ADJUSTED DIRECT COMMISSION AND BROKERAGE INCURRED (86-89 IEE Line 19, 90-91 IEE Line 21)	36,810	50,379	58,867	71,082	44,055	60,578
(5)	OTHER ACQUISITION, FIELD SUPERVISION & COLLECTION EXPENSES INCURRED (IEE Line 8)	4,509	7,880	8,331	19,293	9,281	5,925
CIC INCURRED PERCENTAGES		1986	1987	1988	1989	1990	1991
GENERAL EXPENSES INCURRED [(3)/(2)]		3.83%	4.96%	4.38%	9.92%	8.25%	7.06%
COMMISSION & BROKERAGE [(4)/(1)]		10.13%	13.89%	12.90%	13.81%	12.08%	20.31%
OTHER ACQ. EXPENSES [(5)/(2)]		1.36%	2.06%	1.91%	3.64%	2.33%	1.97%
INDUSTRYWIDE INCURRED PERCENTAGES		1986	1987	1988	1989	1990	1991
GENERAL EXPENSES INCURRED BY POLICY SIZE: \$0 TO \$25,000 (SPECIAL CALL) OVER \$25,000		3.93%	4.01%	4.57%	5.30%	5.46%	5.79%
COMMISSION & BROKERAGE		12.49%	12.75%	12.97%	12.84%	13.07%	13.93%
OTHER ACQ. EXPENSES BY POLICY SIZE: \$0 TO \$25,000 (SPECIAL CALL) OVER \$25,000		2.53%	2.60%	2.91%	3.36%	3.78%	4.19%

NTINENTAL INSURANCE
SIDENT HEALTH CARE FACILITY PROGRAM
INOIS

LOSS DEVELOPMENT EXPERIENCE

Class: Residential Health Care Facilities

Countrywide

Incurred Losses as of:

icity	Ending	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months
	31/87	1,851,216	5,560,635	5,955,270	5,986,882	6,018,134	5,964,235	5,500,624
	31/88	2,237,388	7,955,794	8,472,632	7,902,509	7,598,730	7,694,791	
	31/89	3,875,877	10,966,365	15,368,446	17,072,635	17,993,972		
	31/90	3,843,558	9,510,730	11,257,940	13,208,705			
	31/91	3,397,878	13,408,501	17,545,814				
	31/92	4,473,358	19,868,707					
	31/93	5,451,241						

Ratios

icity	Ending	24:12	36:24	48:36	60:48	72:60	84:72
	31/87	3.004	1.071	1.005	1.005	0.991	0.922
	31/88	3.556	1.065	0.933	0.962	1.013	
	31/89	2.829	1.401	1.111	1.054		
	31/90	2.474	1.184	1.173			
	31/91	3.946	1.309				
	31/92	4.442					
	31/93	3.375	1.206	1.056	1.007	1.002	0.922
	Tr Avg	3.621	1.298	1.072	1.007	1.002	0.922
	3 w/o	3.334	1.188	1.058	---	---	---
	High & Low						
		3.400	1.200	1.060	1.007	1.002	0.922
	84: Ult	1.030					

Development Factors to Ultimate From:

12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months
4.144	1.219	1.016	0.958	0.952	0.950	1.030

CONTINENTAL INSURANCE COMPANIES GENERAL LIABILITY

1993 INDICATION REVIEW: LOSS ADJUSTMENT EXPENSES

OTHER LIABILITY						
	1986	1987	1988	1989	1990	1991
(1) ADJUSTED DIRECT LOSSES INCURRED (86-89 IEE Line 16, 90-91 IEE Line 18)	248,040	212,043	259,484	404,083	280,861	202,716
(2) ADJUSTED DIRECT LOSS ADJUSTMENT EXPENSES INCURRED (86-89 IEE Line 17, 90-91 IEE Line 19)	77,982	79,709	109,068	164,344	111,197	28,062
SIX-YEAR THREE-YEAR						
CIC INCURRED PERCENTAGES	1986	1987	1988	1989	1990	1991
LOSS ADJ. EXPENSES INCURRED AS RATIO	31.43%	37.59%	42.03%	33.26%	39.59%	13.84%
TO LOSSES INCURRED ((2)/(1))	31.43%	37.59%	42.03%	33.26%	39.59%	13.84%
SIX-YEAR THREE-YEAR						
INDUSTRY-WIDE INCURRED PERCENTAGES	1986	1987	1988	1989	1990	1991
LOSS ADJ. EXPENSES INCURRED AS RATIO TO LOSSES INCURRED	30.58%	31.41%	36.54%	40.02%	43.36%	41.04%

NOTES:

1. All dollar amounts are in thousands.
2. Items (1)-(2) based on the Insurance Expense Exhibits.
3. Incurred percentages are calculated on a direct basis.
4. Industrywide data based on ISO General Liability Countrywide Expense Experience LAE for Agency writers (Circular AS-QL-92-30).

ILLINOIS
GENERAL LIABILITY

EXHIBIT VII
SHEET 1

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

A. UNEARNED PREMIUM RESERVE

1. DIRECT EARNED PREMIUM FOR CALENDAR YEAR ENDING 12/31/92:		\$19,194,485
2. MEAN UNEARNED PREMIUM RESERVE: (1) *	0.603	\$11,574,274
3. DEDUCTION FOR PREPAID EXPENSES		
COMMISSION AND BROKERAGE EXPENSE	17.0%	
TAXES, LICENSES, AND FEES	2.3%	
50% OF OTHER ACQUISITION EXPENSE	1.5%	
50% OF COMPANY OPERATING EXPENSE	4.3%	
TOTAL	25.1%	
4. DEDUCTION FOR FEDERAL TAXES PAYABLE		6.8%
5. (2) * ((3)+(4))		\$3,686,406
6. NET SUBJECT TO INVESTMENT (2)-(5)		\$7,887,868

DELAYED REMISSION OF PREMIUM (AGENTS' BALANCE)

1. DIRECT EARNED PREMIUM (A1)	\$19,194,485
2. AVERAGE AGENTS' BALANCE	0.184
3. DELAYED REMISSION (1) * (2)	\$3,531,785

C. LOSS RESERVE

1. DIRECT EARNED PREMIUM (A1)	\$19,194,485
2. EXPECTED INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES (1) * 0.642	\$12,322,859
3. EXPECTED MEAN LOSS RESERVES (2) * 4.067	\$50,117,068

D. NET SUBJECT TO INVESTMENT
(A6) - (B3) + (C3)

\$54,473,151

E. AVERAGE RATE OF RETURN

6.41%

F. INVESTMENT EARNINGS ON NET SUBJECT TO INVESTMENT
(D) * (E)

\$3,491,729

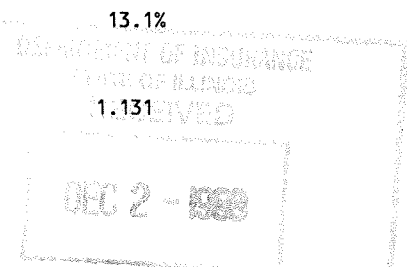
G. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED
PREMIUM (F)/(A1)

18.2%

H. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED
PREMIUM AFTER FEDERAL INCOME TAXES (G) * 0.722

13.1%

I. LINE H EXPRESSED AS A DECIMAL (1.000 + H)



ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 2

LINE A.1: DIRECT EARNED PREMIUMS ARE FROM PAGE 14 OF THE ANNUAL STATEMENT FOR THE
LINE OF INSURANCE FOR THE LATEST AVAILABLE YEAR.

LINE A.2: THE MEAN DIRECT UNEARNED PREMIUM RESERVE IS DETERMINED BY MULTIPLYING THE
DIRECT EARNED PREMIUMS IN LINE (A.1) BY THE COUNTRYWIDE RATIO OF THE MEAN
DIRECT UNEARNED PREMIUM RESERVE TO THE DIRECT EARNED PREMIUM FOR 1992 FOR
GENERAL LIABILITY INSURANCE.

GENERAL LIABILITY

1. NET EARNED PREMIUM FOR CALENDAR YEAR 92	212,919,282
2. UNEARNED PREMIUM RESERVE AS OF 12/31/91	132,193,430
3. UNEARNED PREMIUM RESERVE AS OF 12/31/92	124,469,354
4. MEAN UNEARNED PREMIUM RESERVE ((2)+(3))/2	128,331,392
5. RATIO (4)/(1)	0.603

LINE A.3: DEDUCTION FOR PREPAID EXPENSES:

PRODUCTION COSTS AND A LARGE PART OF THE OTHER COMPANY EXPENSES IN
CONNECTION WITH THE WRITING AND HANDLING OF GENERAL LIABILITY
INSURANCE POLICIES, EXCLUSIVE OF THE CLAIM ADJUSTMENT EXPENSES, ARE
INCURRED WHEN THE POLICY IS WRITTEN AND BEFORE THE PREMIUM IS PAID.

LINE A.4: THE TAX REFORM ACT OF 1986 TAXES 20% OF THE UNEARNED PREMIUM RESERVE. AT A
CORPORATE TAX RATE OF 34%, THIS TAX EQUALS 6.8% ($.20 \times .34 = .068$) OF THE
UNEARNED PREMIUM RESERVE. THESE NUMBERS ARE APPROPRIATE AT THE PRESENT BUT
MAY NEED TO BE REVIEWED AND UPDATED IN THE FUTURE.

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JAN 2 1993

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 3

LINE B.2: DELAYED REMISSION OF PREMIUM:

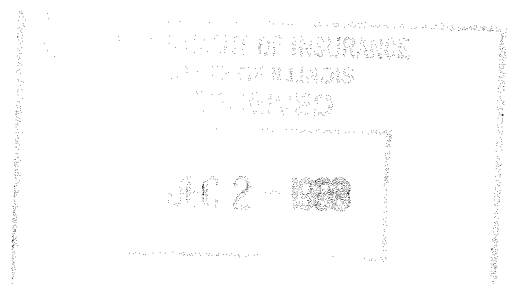
THIS DEDUCTION IS NECESSARY BECAUSE OF DELAY IN COLLECTION AND REMISSION OF PREMIUM TO THE COMPANIES BEYOND THE EFFECTIVE DATES OF THE POLICIES. FUNDS FOR THE UNEARNED PREMIUM RESERVE REQUIRED DURING THE INITIAL DAYS OF ALL POLICIES MUST BE TAKEN FROM THE COMPANY'S SURPLUS.

AGENTS' BALANCES OR UNCOLLECTED PREMIUMS FOR PREMIUMS DUE AMOUNT TO 18.4% OF NET EARNED PREMIUMS, BASED ON THE FOLLOWING:

GENERAL LIABILITY

1. NET EARNED PREMIUM FOR CALENDAR YEAR 1992	212,919.262
2. NET AGENTS' BALANCES AS OF 12/31/91	34,815.728
3. NET AGENTS' BALANCES AS OF 12/31/92	43,660.460
4. MEAN AGENTS' BALANCES ((2)+(3))/2	39,238.104
5. RATIO (4)/(1)	0.184

THE ABOVE PERCENTAGE SHOULD INCLUDE THE EFFECT OF AGENTS' BALANCES OR UNCOLLECTED PREMIUMS OVERDUE FOR MORE THAN 90 DAYS.



ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 4

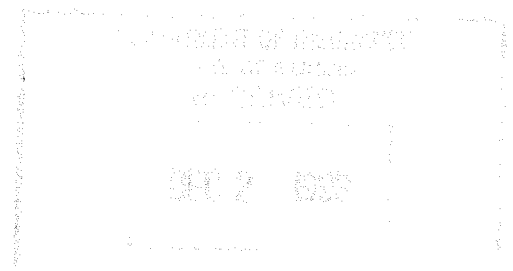
LINE C.2: THE EXPECTED LOSS AND LOSS ADJUSTMENT RATIO REFLECTS THE EXPENSE PROVISIONS
IN OUR RATEMAKING PROCEDURES.

LINE C.3: THE EXPECTED MEAN LOSS RESERVE IS DETERMINED BY MULTIPLYING THE EXPECTED
INCURRED LOSSES IN LINE (C.2) BY THE AVERAGE COUNTRYWIDE RATIO OF THE MEAN
LOSS AND LOSS ADJUSTMENT RESERVES TO THE INCURRED LOSSES AND LOSS ADJUSTMENT
EXPENSES IN 1991 AND 1992 FOR GENERAL LIABILITY INSURANCE.

GENERAL LIABILITY

1. INCURRED LOSSES(1) FOR CALENDAR YEAR 91	252,705,838
2. INCURRED LOSSES(1) FOR CALENDAR YEAR 92	293,584,960
3. LOSS RESERVES(1) AS OF 12/31/90	1,174,843,967
4. LOSS RESERVES(1) AS OF 12/31/91	1,109,574,842
5. LOSS RESERVES(1) AS OF 12/31/92	1,416,339,000
6. MEAN LOSS RESERVE 1991: ((3)+(4))/2	1,142,209,405
7. MEAN LOSS RESERVE 1992: ((4)+(5))/2	1,262,956,921
8. RATIO (6)/(1)	4.520
9. RATIO (7)/(2)	4.302
10. ((8)+(9))/2	4.411
11. ESTIMATED RESERVE DISCOUNT	23%
12. FEDERAL TAXES PAYABLE (% OF RESERVES): (11) * (0.34)	0.078
13. (10) * (1.0 - (12))	4.067

* INCLUDING ALL LOSS ADJUSTMENT EXPENSES



ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT V
SHEET 5

LINE E: THE RATE OF RETURN IS THE RATIO OF NET INVESTMENT INCOME EARNED AND REALIZED
----- CAPITAL GAINS TO MEAN CASH AND INVESTED ASSETS (INCLUDING INTEREST, DIVIDENDS,
AND REAL ESTATE INCOME DUE AND ACCRUED).

YEAR	NET INVESTMENT INCOME EARNED	MEAN CASH AND INVESTED ASSETS	RATE OF RETURN
1991	528,648.920	8,154,862.402	6.48%
1992	507,699,553	8,002,596.151	6.34%
TOTAL	1,036,348.473	16,157,458.553	6.41%

ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 6

LINE H : THE AVERAGE RATE OF FEDERAL INCOME TAX WAS DETERMINED BY APPLYING THE
APPROPRIATE TAX RATES TO THE DISTRIBUTION OF INVESTMENT INCOME EARNED FOR
1992 FOR CONTINENTAL INSURANCE COMPANIES.

BONDS	INVESTMENT INCOME EARNED	FEDERAL TAX RATE
TAXABLE	375,802,300	0.340
NON-TAXABLE	72,765,955	0.026 (**)
SUB-TOTAL	448,568,255	0.289
STOCKS		
TAXABLE	37,341,707	0.120 (***)
NON-TAXABLE (AFFILIATES)	2,609,033	---
SUB-TOTAL	39,950,740	0.112
MORTGAGE LOANS AND REAL ESTATE	12,389,123	
REAL ESTATE	(16,738,906)	
COLLATERAL LOANS	3,376,669	
CASH ON DEPOSIT	482,057	
SHORT TERM INVESTMENTS	15,546,178	
ALL OTHER	12,315,687	
SUB-TOTAL	27,370,808	0.340
TOTAL	515,889,603	0.278
INVESTMENT DEDUCTIONS	2,686,523	0.340
NET INVESTMENT INCOME EARNED	513,203,080	0.278

(**) ASSUME 50% OF THE INCOME ON TAX-EXEMPT BONDS IS SUBJECT TO PRORATION;
THAT IS, 15% OF THAT INCOME IS TAXED AT A FULL CORPORATE INCOME TAX RATE
OF 34%. THE APPLICABLE TAX RATE IS THUS $2.5\% (1.50 \times .15 \times .34 = .026)$.

(***) 10% OF DIVIDEND INCOME IS SUBJECT TO A FULL CORPORATE INCOME TAX RATE
OF 34%. ASSUME 50% OF THE DIVIDEND INCOME ON STOCK IS SUBJECT TO
PRORATION; THAT IS, 15% OF THE REMAINING 70% OF DIVIDEND INCOME IS TAXED
AT A RATE OF 34%. THE APPLICABLE TAX RATE IS THUS $12\% (1.30 \times .34) +$
 $.50 \times .70 \times .15 \times .34 = .112$.

OFFICE OF INSURANCE
STATE OF CALIFORNIA
FEB 28 1993

ALL 2 1993

**CONTINENTAL INSURANCE
RESIDENT HEALTH CARE FACILITY PROGRAM
ILLINOIS**

INDEX

EXHIBIT I	-	REVISED MANUAL PAGES
EXHIBIT II	-	INCREASED LIMITS FACTORS REVISIONS
EXHIBIT III	-	COUNTRYWIDE RATE LEVEL INDICATIONS
EXHIBIT IV	-	EXPENSE EXPERIENCE
EXHIBIT V	-	LOSS DEVELOPMENT EXPERIENCE
EXHIBIT VI	-	LOSS ADJUSTMENT EXPENSE EXPERIENCE
EXHIBIT VII	-	INVESTMENT INCOME EXHIBIT

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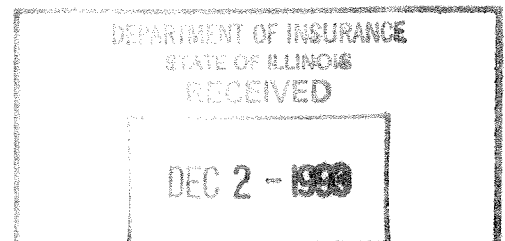
CONTINENTAL INSURANCE PRESIDENT HEALTH CARE FACILITY PROGRAM

EXHIBIT I
SHEET 1

2. ELIGIBILITY

A. The following classes are eligible for the application of the rules and rates contained on these additional rule pages:

FACILITY CLASSIFICATION	PRIMARY MEDICAL SERVICES PERFORMED
Level IV	<ul style="list-style-type: none">-ventilator care-wound management-post-operative/trauma recovery-intravenous, antibiotic, hydration, therapy-spinal cord/head injury mgmt-oncology-total parenteral nutrition (TPN)-blood/plasma transfusion
Level III	<ul style="list-style-type: none">-administering medications, injections-catheter insertion and sterile irrigation-administering of oxygen and inhalation therapy-routine changing of dressing-tube feeding-preventive turning - no physical care
Level II	<ul style="list-style-type: none">-administering oral medications-assistance with activities of daily living (ADL) bathing, dressing, walking, eating-supportive care
Level I	<ul style="list-style-type: none">-assistance with medications-guidance with activities of daily living (ADL)



CONTINENTAL INSURANCE
RESIDENT HEALTH CARE FACILITY PROGRAM
II OIS

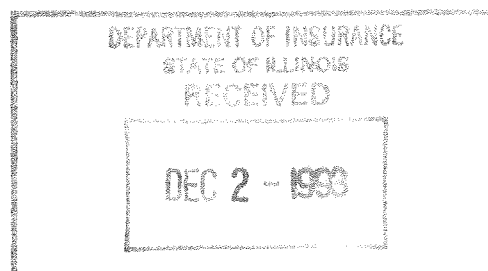
EXHIBIT I
SHEET 2

5. OPTIONAL COVERAGES

C. Resident Health Care Professional Liability Coverage Form (SACOO 526 or SACOO 527)

The rates for this coverage are as follows:

	<u>Territory</u>	<u>Level IV Facility</u>	<u>Level III Facility</u>	<u>Level II Facility</u>	<u>Level I Facility</u>
Occ	1	421.76	351.46	191.60	63.08
	4	416.35	346.96	187.09	60.93
	6	419.17	349.31	189.44	63.47
	7	421.05	350.87	191.01	63.28
	8	418.46	348.72	188.86	61.91
	9	419.87	349.90	190.03	63.08
	14	415.88	346.56	186.70	61.32
C-M	1	404.83	337.36	183.96	60.54
	4	399.66	333.05	179.65	58.58
	6	402.48	335.40	181.80	60.93
	7	404.12	336.77	183.37	60.73
	8	401.77	334.81	181.22	59.36
	9	403.18	335.99	182.39	60.54
	14	399.19	332.66	179.26	58.77



C. The basic limits rates contemplates limits of \$100,000 per occurrence and \$300,000 aggregate. The aggregate only applies to the professional liability coverage. Use the reased limits table below to increase these limits.

EXHIBIT I
SHEET 3

Increased Limits	Factors
25/75	0.73
100/100	0.99
100/300	1.00
250/500	1.10
300/300	1.13
300/500	1.15
500/500	1.17
500/1000	1.20
1000/1000	1.30
1000/2000	1.32

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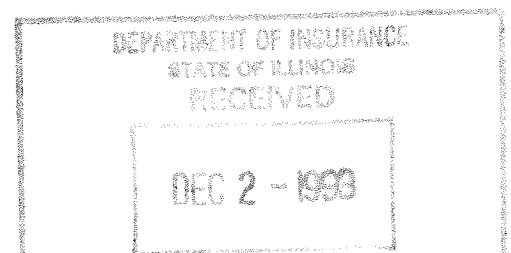
DEC 2 - 1988

INCREASED LIMITS FACTOR REVISION

**Updating of increased limits factor table
(changing base from 25/75 to 100/300)**

Limit	Present Factor (25/75 base)	Present Factor (100/300 base)
25/75	1.00	0.73
100/100	1.35	0.99
100/300	1.37	1.00
250/500	1.50	1.09
300/300	1.70	1.24
300/500	1.74	1.27
500/500	1.95	1.42
500/1,000	2.00	1.46
1,000/1,000	2.25	1.64

Offset to rates to go from 25/75 base to 100/300 base: 1.37



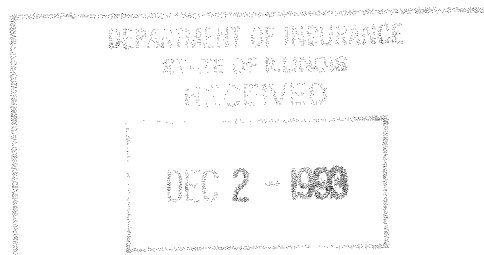
INCREASED LIMITS FACTOR REVISION

Effect of adopting ISO increased limits factors for Nursing Homes

Limit	Present Factor	Revised Factor	% Change	% Premium
10,000	0.70	0.70	0.0%	0.0%
50,000	0.75	0.75	0.0%	0.5%
75,000	0.80	0.80	0.0%	0.1%
300,000	1.24	1.12	-9.5%	0.2%
500,000	1.42	1.17	-17.6%	0.6%
1,000,000	1.64	1.30	-20.7%	22.4%
2,000,000	1.75	1.46	-16.6%	0.1%
300/600	1.28	1.15	-10.2%	0.0%
300/AO	1.24	1.12	-9.7%	0.1%
500,000	1.42	1.17	-17.6%	0.7%
500/1,000	1.46	1.20	-17.8%	0.2%
500/1,500	1.50	1.22	-18.7%	0.3%
1,000,000	1.64	1.30	-20.7%	28.9%
1,000/3,000	1.86	1.35	-27.4%	5.9%
1,000/AO	1.64	1.30	-20.7%	23.8%
2,000/AO	2.20	1.46	-33.6%	8.4%
5,000/AO	2.50	1.78	-28.8%	5.1%
10,000/AO	3.00	2.40	-20.0%	2.8%
Total			-22.9%	100.0%

Offset to rates for adoption of ISO ILF's: 1.30

AO - All Other



CONTINENTAL INSURANCE
RESIDENT HEALTH CARE FACILITY PROGRAM
ILLINOIS

EXHIBIT III

CONTINENTAL INSURANCE COMPANY – RESIDENTIAL HEALTH CARE FACILITIES

COUNTRYWIDE DATA

POLICY	WRITTEN	PREMIUM	ADJUSTED
<u>YEAR</u>	<u>PREMIUM</u>	<u>TREND</u>	<u>WRITTEN</u>
			<u>PREMIUM</u>
1988	19,786,515	1.247	24,680,180
1989	22,243,213	1.198	26,651,754
1990	25,818,840	1.151	29,717,637
1991	28,890,221	1.106	31,943,146

POLICY	INCURRED	LOSS	LOSS DEV	ADJUSTED	ADJUSTED
<u>YEAR</u>	<u>LOSSES</u>	<u>TREND</u>	<u>FACTOR</u>	<u>INCURRED</u>	<u>LOSS</u>
				<u>LOSSES</u>	<u>RATIO</u>
1988	17,993,972	1.527	0.952	26,157,404	1.060
1989	13,208,705	1.414	0.958	17,890,919	0.671
1990	17,545,814	1.309	1.016	23,337,287	0.785
1991	19,868,707	1.212	1.219	29,358,421	0.919

**PREMIUMS AND LOSSES ADJUSTED FROM AVERAGE DATE OF COVERAGE TO
ONE YEAR PAST PROPOSED EFFECTIVE DATE OF 7/1/93**

EXPECTED LOSS AND LAE RATIO

OTHER ACQUISITION EXPENSE	3.0%
GENERAL EXPENSE	8.5%
COMMISSION EXPENSE	17.0%
TAXES, LICENSES, FEES	2.3%
PROFIT AND CONTINGENCIES *	-8.1%

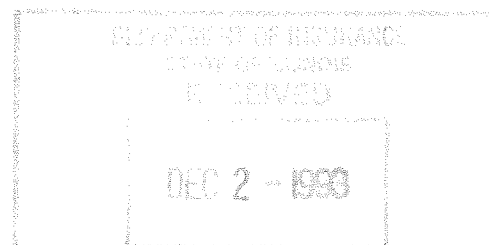
TOTAL EXPENSES 22.7%

EXPECTED LOSS AND LAE RATIO 77.3%

*** INCLUDES 5.0% PROFIT PROVISION MINUS INVESTMENT INCOME PROVISION OF
13.1%**

INDICATED RATE LEVEL CHANGE

AVERAGE LOSS RATIO	0.859
LOSS ADJUSTMENT EXPENSE FACTO	1.350
AVERAGE LOSS AND LAE RATIO	1.159
EXPECTED LOSS AND LAE RATIO	0.773
INDICATED CHANGE	50.0%



**CONTINENTAL INSURANCE COMPANIES
GENERAL LIABILITY
1993 INDICATION REVIEW: UNDERWRITING EXPENSES**

OTHER LIABILITY											-----	
	1986	1987	1988	1989	1990	1991						
(1) ADJUSTED DIRECT PREMIUMS WRITTEN (66-89 IEE Line 14, 90-91 IEE Line 16)	363,207	405,767	456,229	528,928	364,786	296,283						
(2) ADJUSTED DIRECT PREMIUMS EARNED (66-89 IEE Line 15, 90-91 IEE Line 17)	330,741	372,719	436,674	544,382	397,955	301,424						
(3) GENERAL EXPENSES INCURRED (IEE Line 7)	12,655	18,447	19,130	48,037	32,809	23,975						
(4) ADJUSTED DIRECT COMMISSION AND BROKERAGE INCURRED (66-89 IEE Line 18, 90-91 IEE Line 21)	36,810	56,379	58,857	71,982	44,055	60,578						
(5) OTHER ACQUISITION, FIELD SUPERVISION & COLLECTION EXPENSES INCURRED (IEE Line 8)	4,509	7,880	8,331	19,293	9,281	5,925						
C/K INCURRED PERCENTAGES	1986	1987	1988	1989	1990	1991	SIX-YEAR MEAN		THREE-YEAR MEAN		SELECTED	
GENERAL EXPENSES INCURRED [(3)/(2)]	3.83%	4.95%	4.39%	8.82%	8.25%	7.96%	6.36%		8.34%		8.50%	
COMMISSION & BROKERAGE [(4)/(1)]	10.13%	13.89%	12.90%	13.81%	12.08%	20.31%	13.82%		15.33%		17.00%	
OTHER ACQ. EXPENSES [(5)/(2)]	1.36%	2.06%	1.91%	3.54%	2.33%	1.97%	2.10%		2.61%		3.00%	
-----											28.50%	
INDUSTRYWIDE INCURRED PERCENTAGES	1986	1987	1988	1989	1990	1991	SIX-YEAR MEAN		THREE-YEAR MEAN			
GENERAL EXPENSES INCURRED	3.93%	4.01%	4.57%	5.30%	5.48%	5.79%	4.84%		5.52%			
BY POLICY SIZE: \$0 TO \$25,000 (SPECIAL CALL) OVER \$25,000	8.89%	7.59%	N/A	8.44%	10.08%	10.27%	7.55%		9.60%			
COMMISSION & BROKERAGE	4.15%	3.49%	N/A	2.20%	1.81%	1.78%	2.20%		1.86%			
	12.49%	12.75%	12.97%	12.84%	13.07%	13.83%	13.01%		13.28%			
OTHER ACQ. EXPENSES	2.53%	2.80%	2.91%	3.38%	3.78%	4.19%	3.23%		3.78%			
BY POLICY SIZE: \$0 TO \$25,000 (SPECIAL CALL) OVER \$25,000	5.97%	6.06%	N/A	5.89%	8.00%	8.47%	5.73%		7.45%			
	2.55%	2.10%	N/A	1.76%	1.73%	2.38%	1.75%		1.95%			

DEC 2 - 1990

CONTINENTAL INSURANCE
 CONTINENTAL HEALTH CARE FACILITY PROGRAM
 CONTINENTAL NOIS

LOSS DEVELOPMENT EXPERIENCE

Class: Residential Health Care Facilities
 Countrywide

Incurred Losses as of:

Ending 12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months
31/87	1,851,216	5,560,635	5,955,270	5,986,882	6,018,134	5,964,235
31/88	2,237,388	7,955,794	8,472,632	7,902,509	7,598,730	7,694,791
31/89	3,875,877	10,966,365	15,368,446	17,072,635	17,993,972	
31/90	3,843,558	9,510,730	11,257,940	13,208,705		
31/91	3,397,878	13,408,501	17,545,814			
31/92	4,473,358	19,868,707				
31/93	5,451,241					

Ratios

Ending 12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months
31/87	24:12	36:24	48:36	60:48	72:60	84:72
31/88	3.004	1.071	1.005	1.005	0.991	0.922
31/89	3.556	1.065	0.933	0.962	1.013	
31/90	2.829	1.401	1.111	1.054		
31/91	2.474	1.184	1.173			
31/92	3.946	1.309				
31/93	4.442					
12 Months	3.375	1.206	1.056	1.007	1.002	0.922
24 Months	3.621	1.298	1.072	1.007	1.002	0.922
36 Months	3.334	1.188	1.058	---	---	---
48 Months	3.400	1.200	1.060	1.007	1.002	0.922
60 Months						
72 Months						
84 Months						

Development Factors to Ultimate From:

12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months
12 Months	1.219	1.016	0.958	0.952	0.950	1.030
24 Months						
36 Months						
48 Months						
60 Months						
72 Months						
84 Months						

84: DEC 2 - 1993 .030

SPRINGFIELD, 4.144

CONTINENTAL INSURANCE COMPANIES GENERAL LIABILITY

1993 INDICATION REVIEW: LOSS ADJUSTMENT EXPENSES

OTHER LIABILITY									
	1986	1987	1988	1989	1990	1991	-----		

(1) ADJUSTED DIRECT LOSSES INCURRED (10-00 IEE Line 16, 90-01 IEE Line 18)	248,040	212,043	259,484	464,083	280,801	202,716	-----		
(2) ADJUSTED DIRECT LOSS ADJUSTMENT EXPENSES INCURRED (10-00 IEE Line 17, 90-01 IEE Line 19)	77,062	79,709	109,068	154,344	111,197	28,062	-----		

CIC INCURRED PERCENTAGES	1986	1987	1988	1989	1990	1991	SIX-YEAR MEAN	THREE-YEAR MEAN	SELECTED

LOSSES ADJ. EXPENSES INCURRED AS RATIO	31.43%	37.60%	42.03%	33.28%	39.60%	13.84%	32.90%	28.90%	35.00%
TO LOSSES INCURRED [(2)/(1)]									

INDUSTRYWIDE INCURRED PERCENTAGES	1986	1987	1988	1989	1990	1991	SIX-YEAR MEAN	THREE-YEAR MEAN	

LOSSES ADJ. EXPENSES INCURRED AS RATIO	30.64%	31.41%	36.64%	40.02%	43.36%	41.94%	37.31%	41.77%	
TO LOSSES INCURRED									

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STATE OF ILLINOIS

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NOTES:

1. All dollar amounts are in thousands.

2. Items based on the Insurance Expense Exhibit.

3. Incurred percentages are calculated on a direct basis.

4. Industrywide data based on ISO General Liability Countrywide Expense Experience LAE for Agency writers (Circular AS-GL-92-30).

SPRINGFIELD, IL

ILLINOIS
GENERAL LIABILITY

EXHIBIT VII
SHEET 1

ESTIMATED INVESTMENT EARNINGS ON UNEARNED
PREMIUM RESERVES AND ON LOSS RESERVES

A. UNEARNED PREMIUM RESERVE

1. DIRECT EARNED PREMIUM FOR CALENDAR YEAR ENDING 12/31/92:		\$19,194,485
2. MEAN UNEARNED PREMIUM RESERVE: (1) *	0.603	\$11,574,274
3. DEDUCTION FOR PREPAID EXPENSES		
COMMISSION AND BROKERAGE EXPENSE	17.0%	
TAXES, LICENSES, AND FEES	2.3%	
50% OF OTHER ACQUISITION EXPENSE	1.5%	
50% OF COMPANY OPERATING EXPENSE	4.3%	
TOTAL	25.1%	
4. DEDUCTION FOR FEDERAL TAXES PAYABLE		6.8%
5. (2) * ((3)+(4))		\$3,686,406
6. NET SUBJECT TO INVESTMENT (2)-(5)		\$7,887,868

DELAYED REMISSION OF PREMIUM (AGENTS' BALANCE)

1. DIRECT EARNED PREMIUM (A1)	\$19,194,485
2. AVERAGE AGENTS' BALANCE	0.184
3. DELAYED REMISSION (1) * (2)	\$3,531,785

C. LOSS RESERVE

1. DIRECT EARNED PREMIUM (A1)	\$19,194,485
2. EXPECTED INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES (1) * 0.642	\$12,322,859
3. EXPECTED MEAN LOSS RESERVES (2) * 4.067	\$50,117,068

D. NET SUBJECT TO INVESTMENT
(A6) - (B3) + (C3)

\$54,473,151

E. AVERAGE RATE OF RETURN

6.41%

F. INVESTMENT EARNINGS ON NET SUBJECT TO INVESTMENT
(D) * (E)

\$3,491,729

G. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED
PREMIUM (F)/(A1)

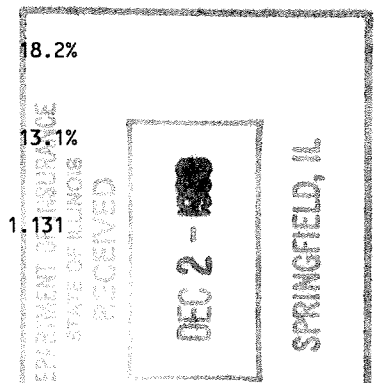
18.2%

H. AVERAGE RATE OF RETURN AS A PERCENT OF DIRECT EARNED
PREMIUM AFTER FEDERAL INCOME TAXES (G) * 0.722

13.1%

I. LINE H EXPRESSED AS A DECIMAL (1.000 + H)

1.131



ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 2

LINE A.1: DIRECT EARNED PREMIUMS ARE FROM PAGE 14 OF THE ANNUAL STATEMENT FOR THE
LINE OF INSURANCE FOR THE LATEST AVAILABLE YEAR.

LINE A.2: THE MEAN DIRECT UNEARNED PREMIUM RESERVE IS DETERMINED BY MULTIPLYING THE
DIRECT EARNED PREMIUMS IN LINE (A.1) BY THE COUNTRYWIDE RATIO OF THE MEAN
DIRECT UNEARNED PREMIUM RESERVE TO THE DIRECT EARNED PREMIUM FOR 1992 FOR
GENERAL LIABILITY INSURANCE.

GENERAL LIABILITY

1. NET EARNED PREMIUM FOR CALENDAR YEAR 92	212,919,262
2. UNEARNED PREMIUM RESERVE AS OF 12/31/91	132,193,430
3. UNEARNED PREMIUM RESERVE AS OF 12/31/92	124,469,354
4. MEAN UNEARNED PREMIUM RESERVE $((2)+(3))/2$	128,331,392
5. RATIO (4)/(1)	0.603

LINE A.3: DEDUCTION FOR PREPAID EXPENSES:

PRODUCTION COSTS AND A LARGE PART OF THE OTHER COMPANY EXPENSES IN
CONNECTION WITH THE WRITING AND HANDLING OF GENERAL LIABILITY
INSURANCE POLICIES, EXCLUSIVE OF THE CLAIM ADJUSTMENT EXPENSES, ARE
INCURRED WHEN THE POLICY IS WRITTEN AND BEFORE THE PREMIUM IS PAID.

LINE A.4: THE TAX REFORM ACT OF 1986 TAXES 20% OF THE UNEARNED PREMIUM RESERVE, AT A
CORPORATE TAX RATE OF 34%. THIS TAX EQUALS 6.8% $(.20 \times .34 = .068)$ OF THE
UNEARNED PREMIUM RESERVE. THESE NUMBERS ARE APPROPRIATE AT THE PRESENT BUT
MAY NEED TO BE REVIEWED AND UPDATED IN THE FUTURE.

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ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 3

LINE B.2: DELAYED REMISSION OF PREMIUM:

THIS DEDUCTION IS NECESSARY BECAUSE OF DELAY IN COLLECTION AND REMISSION OF PREMIUM TO THE COMPANIES BEYOND THE EFFECTIVE DATES OF THE POLICIES. FUNDS FOR THE UNEARNED PREMIUM RESERVE REQUIRED DURING THE INITIAL DAYS OF ALL POLICIES MUST BE TAKEN FROM THE COMPANY'S SURPLUS.

AGENTS' BALANCES OR UNCOLLECTED PREMIUMS FOR PREMIUMS DUE AMOUNT TO 19.4% OF NET EARNED PREMIUMS, BASED ON THE FOLLOWING:

GENERAL LIABILITY

1. NET EARNED PREMIUM FOR CALENDAR YEAR 1992	212,919.262
2. NET AGENTS' BALANCES AS OF 12/31/91	34,815.728
3. NET AGENTS' BALANCES AS OF 12/31/92	43,660.480
4. MEAN AGENTS' BALANCES ((2)+(3))/2	39,238.104
5. RATIO (4)/(1)	0.184

THE ABOVE PERCENTAGE SHOULD INCLUDE THE EFFECT OF AGENTS' BALANCES OR UNCOLLECTED PREMIUMS OVERDUE FOR MORE THAN 90 DAYS.

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ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 4

LINE C.2: THE EXPECTED LOSS AND LOSS ADJUSTMENT RATIO REFLECTS THE EXPENSE PROVISIONS
IN OUR RATEMAKING PROCEDURES.

LINE C.3: THE EXPECTED MEAN LOSS RESERVE IS DETERMINED BY MULTIPLYING THE EXPECTED
INCURRED LOSSES IN LINE (C.2) BY THE AVERAGE COUNTRYWIDE RATIO OF THE MEAN
LOSS AND LOSS ADJUSTMENT RESERVES TO THE INCURRED LOSSES AND LOSS ADJUSTMENT
EXPENSES IN 1991 AND 1992 FOR GENERAL LIABILITY INSURANCE.

GENERAL LIABILITY

1. INCURRED LOSSES(*) FOR CALENDAR YEAR 91	252,705.838
2. INCURRED LOSSES(*) FOR CALENDAR YEAR 92	293,584.960
3. LOSS RESERVES(*) AS OF 12/31/90	1,174,843.967
4. LOSS RESERVES(*) AS OF 12/31/91	1,109,574.842
5. LOSS RESERVES(*) AS OF 12/31/92	1,416,339.000
6. MEAN LOSS RESERVE 1991: ((3)+(4))/2	1,142,209.405
7. MEAN LOSS RESERVE 1992: ((4)+(5))/2	1,262,956.921
8. RATIO (6)/(1)	4.520
9. RATIO (7)/(2)	4.302
10. ((8)+(9))/2	4.411
11. ESTIMATED RESERVE DISCOUNT	23%
12. FEDERAL TAXES PAYABLE (% OF RESERVES):	0.078
(11) * 0.34	
13. (10) * (1.0 - (12))	4.067

(INCLUDING ALL LOSS ADJUSTMENT EXPENSES

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ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT V
SHEET 5

LINE E: THE RATE OF RETURN IS THE RATIO OF NET INVESTMENT INCOME EARNED AND REALIZED
----- CAPITAL GAINS TO MEAN CASH AND INVESTED ASSETS (INCLUDING INTEREST, DIVIDENDS,
AND REAL ESTATE INCOME DUE AND ACCRUED).

YEAR	NET INVESTMENT INCOME EARNED	MEAN CASH AND INVESTED ASSETS	RATE OF RETURN
1991	528,648.920	8,154,862.402	6.48%
1992	507,699,553	8,002,596.151	6.34%
TOTAL	1,036,348.473	16,157,458.553	6.41%

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ESTIMATED INVESTMENT EARNINGS ON UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES
EXPLANATORY NOTES

EXHIBIT VII
SHEET 6

LINE H : THE AVERAGE RATE OF FEDERAL INCOME TAX WAS DETERMINED BY APPLYING THE
APPROPRIATE TAX RATES TO THE DISTRIBUTION OF INVESTMENT INCOME EARNED FOR
1992 FOR CONTINENTAL INSURANCE COMPANIES.

BONDS	INVESTMENT INCOME EARNED	FEDERAL TAX RATE
TAXABLE	375,802,300	0.340
NON-TAXABLE	72,765,955	0.026 (†)
SUB-TOTAL	448,568,255	0.289
STOCKS		
TAXABLE	37,341,707	0.120 (††)
NON-TAXABLE (AFFILIATES)	2,609,033	---
SUB-TOTAL	37,950,740	0.112
MORTGAGE LOANS AND REAL ESTATE	12,389,123	
REAL ESTATE	(16,738,906)	
COLLATERAL LOANS	3,376,669	
CASH ON DEPOSIT	482,057	
SHORT TERM INVESTMENTS	15,546,178	
ALL OTHER	12,315,687	
SUB-TOTAL	27,370,808	0.340
TOTAL	515,989,803	0.278
INVESTMENT DEDUCTIONS	2,685,513	0.340
NET INVESTMENT INCOME EARNED	513,204,290	0.278

(†) ASSUME 50% OF THE INCOME ON TAX-EXEMPT BONDS IS SUBJECT TO PRORATION;
THAT IS, 15% OF THAT INCOME IS TAXED AT A FULL CORPORATE INCOME TAX RATE
OF 34%. THE APPLICABLE TAX RATE IS THUS $2.6\% (.50 \times .15 \times .34 = .026)$.

(††) 10% OF DIVIDEND INCOME IS SUBJECT TO A FULL CORPORATE INCOME TAX RATE
OF 34%. ASSUME 50% OF THE DIVIDEND INCOME ON STOCK IS SUBJECT TO
PRORATION; THAT IS, 15% OF THE REMAINING 70% OF DIVIDEND INCOME IS TAXED
AT A RATE OF 34%. THE APPLICABLE TAX RATE IS THUS $12\% (.70 \times .34) +$
 $1.5\% (.10 \times .15 \times .34) = .112$.

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**Doctors Professional Liability Coverage
Rules
Illinois Exception Page**

Rule 7.S. is added as follows:

7.S. Premium Adjustment for Risk Change-Guide (a) Rates

Doctors changing their practice to a lower rated classification or rating territory continue to have an exposure to loss from their previous practice. To recognize this exposure change, the following procedure shall be used and a one time premium adjustment shall apply:

Determine current reporting endorsement premium from previous classification/rating territory	\$
Subtract current reporting endorsement premium from new classification/rating territory	\$
Difference shall be premium adjustment (Code premium adjustment to new classification - rating territory)	\$

The premium adjustment shall be in addition to the premium for the new classification/rating territory. The insureds original retroactive date shall be maintained. Upon termination of the current policy or its renewal, the reporting endorsement premium applicable to the new classification/territory shall apply.

For insureds changing to a higher rated classification/territory, submit for rating.

Rule 8. is deleted and replaced by the following:

8. Reporting Endorsements

The Reporting Endorsement provides coverage for claims arising from professional services which occur subsequent to the retroactive date and prior to the end of the policy period.

APR - 1 1989

The premium for the Reporting Endorsement is determined by applying the factor from the table below to the claims made rate for the applicable classification effective on the date the policy period begins.

<u>Number of Years in Claims Made Program</u>	<u>Reporting Endorsement Multiples</u>
1	4.50
2	3.50
3	2.99
4	2.83
5 or more	2.70

The Reporting endorsement provides for an unlimited period of time.

The Reporting Endorsement is provided at no cost:

- A. To your beneficiary, if you die.
- B. To you, if you retire after age 60 and have been insured with us for 5 or more years immediately preceding your retirement.
- C. To you, if you become totally and continuously disabled for at least 6 months as a result of sickness or accidental bodily injury.

If no extended reporting period endorsement is purchased, a Basic Extended Reporting Period is automatically provided without additional charge for a period of sixty (60) days. See the General Rules section of the policy for the details of this extension.

Territory 01 - Counties of Cook, DuPage, Kane, Lake, Madison, McHenry, St Clair, Vermilion and Will											Physicians and Surgeons State of Illinois											OSTEOPATH RATES (84____) ARE DERIVED BY APPLYING THE FACTOR 1.00 (MULTIPLICATIVELY) TO THE 80____ RATE																			
ss	1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class					
101	8992	15415	22352	23893	25692	80233	2461	4219	6118	6540	7032	80272	4201	7201	10442	11162	12002	80272	4201	7201	10442	11162	12002	80272	4201	7201	10442	11162	12002	80272	4201	7201	10442	11162	12002	80272	4201	7201	10442	11162	12002
102	8204	14065	20394	21800	23441	80234	2461	4219	6118	6540	7032	80274	4201	7201	10442	11162	12002	80274	4201	7201	10442	11162	12002	80274	4201	7201	10442	11162	12002	80274	4201	7201	10442	11162	12002	80274	4201	7201	10442	11162	12002
103	8992	15415	22352	23893	25692	80235	2461	4219	6118	6540	7032	80276	4201	7201	10442	11162	12002	80276	4201	7201	10442	11162	12002	80276	4201	7201	10442	11162	12002	80276	4201	7201	10442	11162	12002	80276	4201	7201	10442	11162	12002
104	8992	15415	22352	23893	25692	80236	2461	4219	6118	6540	7032	80277	4201	7201	10442	11162	12002	80277	4201	7201	10442	11162	12002	80277	4201	7201	10442	11162	12002	80277	4201	7201	10442	11162	12002	80277	4201	7201	10442	11162	12002
105	8992	15415	22352	23893	25692	80237	2461	4219	6118	6540	7032	80278	4201	7201	10442	11162	12002	80278	4201	7201	10442	11162	12002	80278	4201	7201	10442	11162	12002	80278	4201	7201	10442	11162	12002	80278	4201	7201	10442	11162	12002
106	13127	22504	32630	34881	37506	80238	2461	4219	6118	6540	7032	80279	4201	7201	10442	11162	12002	80279	4201	7201	10442	11162	12002	80279	4201	7201	10442	11162	12002	80279	4201	7201	10442	11162	12002	80279	4201	7201	10442	11162	12002
107	8992	15415	22352	23893	25692	80240	2461	4219	6118	6540	7032	80280	4201	7201	10442	11162	12002	80280	4201	7201	10442	11162	12002	80280	4201	7201	10442	11162	12002	80280	4201	7201	10442	11162	12002	80280	4201	7201	10442	11162	12002
108	8992	15415	22352	23893	25692	80241	2461	4219	6118	6540	7032	80281	4201	7201	10442	11162	12002	80281	4201	7201	10442	11162	12002	80281	4201	7201	10442	11162	12002	80281	4201	7201	10442	11162	12002	80281	4201	7201	10442	11162	12002
1114	4923	8439	12236	13080	14065	80243	2461	4219	6118	6540	7032	80282	4201	7201	10442	11162	12002	80282	4201	7201	10442	11162	12002	80282	4201	7201	10442	11162	12002	80282	4201	7201	10442	11162	12002	80282	4201	7201	10442	11162	12002
1115	6564	11252	16315	17440	18753	80244	2461	4219	6118	6540	7032	80283	4201	7201	10442	11162	12002	80283	4201	7201	10442	11162	12002	80283	4201	7201	10442	11162	12002	80283	4201	7201	10442	11162	12002	80283	4201	7201	10442	11162	12002
1116	1510	2588	3752	4011	4313	80245	2461	4219	6118	6540	7032	80284	5579	9564	13868	14824	15940	80284	5579	9564	13868	14824	15940	80284	5579	9564	13868	14824	15940	80284	5579	9564	13868	14824	15940	80284	5579	9564	13868	14824	15940
1117	8204	14065	20394	21800	23441	80246	2461	4219	6118	6540	7032	80285	4201	7201	10442	11162	12002	80285	4201	7201	10442	11162	12002	80285	4201	7201	10442	11162	12002	80285	4201	7201	10442	11162	12002	80285	4201	7201	10442	11162	12002
141	18050	30942	44867	47961	51571	80247	2461	4219	6118	6540	7032	80286	4201	7201	10442	11162	12002	80286	4201	7201	10442	11162	12002	80286	4201	7201	10442	11162	12002	80286	4201	7201	10442	11162	12002	80286	4201	7201	10442	11162	12002
143	14768	25317	36709	39241	42194	80248	2461	4219	6118	6540	7032	80287	4201	7201	10442	11162	12002	80287	4201	7201	10442	11162	12002	80287	4201	7201	10442	11162	12002	80287	4201	7201	10442	11162	12002	80287	4201	7201	10442	11162	12002
144	18050	30942	44867	47961	51571	80249	2461	4219	6118	6540	7032	80288	4201	7201	10442	11162	12002	80288	4201	7201	10442	11162	12002	80288	4201	7201	10442	11162	12002	80288	4201	7201	10442	11162	12002	80288	4201	7201	10442	11162	12002
145	8992	15415	22352	23893	25692	80250	2461	4219	6118	6540	7032	80289	3347	5738	8321	8895	9564	80289	3347	5738	8321	8895	9564	80289	3347	5738	8321	8895	9564	80289	3347	5738	8321	8895	9564	80289	3347	5738	8321	8895	9564
146	19691	33755	48945	52321	56259	80251	2461	4219	6118	6540	7032	80290	4201	7201	10442	11162	12002	80290	4201	7201	10442	11162	12002	80290	4201	7201	10442	11162	12002	80290	4201	7201	10442	11162	12002	80290	4201	7201	10442	11162	12002
150	19691	33755	48945	52321	56259	80252	2461	4219	6118	6540	7032	80291	4201	7201	10442	11162	12002	80291	4201	7201	10442	11162	12002	80291	4201	7201	10442	11162	12002	80291	4201	7201	10442	11162	12002	80291	4201	7201	10442	11162	12002
151	11486	19691	28551	30521	32818	80253	2461	4219	6118	6540	7032	80292	3905	6695	9708	10377	11158	80292	3905	6695	9708	10377	11158	80292	3905	6695	9708	10377	11158	80292	3905	6695	9708	10377	11158	80292	3905	6695	9708	10377	11158
152	24613	42194	61182	65401	70324	80254	2461	4219	6118	6540	7032	80293	6137	10520	15255	16307	17534	80293	6137	10520	15255	16307	17534	80293	6137	10520	15255	16307	17534	80293	6137	10520	15255	16307	17534	80293	6137	10520	15255	16307	17534
153	21332	36568	53024	56681	60947	80255	2461	4219	6118	6540	7032	80294	4201	7201	10442	11162	12002	80294	4201	7201	10442	11162	12002	80294	4201	7201	10442	11162	12002	80294	4201	7201	10442	11162	12002	80294	4201	7201	10442	11162	12002
154	19691	33755	48945	52321	56259	80256	2461	4219	6118	6540	7032	80295	3282	5626	8158	8720	9377	80295	3282	5626	8158	8720	9377	80295	3282	5626	8158	8720	9377	80295	3282	5626	8158	8720	9377	80295	3282	5626	8158	8720	9377
155	13127	22504	32630	34881	37506	80257	3282	5626	8158	8720	9377	80421	6564	11252	16315	17440	18753	80421	6564	11252	16315	17440	18753	80421	6564	11252	16315	17440	18753	80421	6564	11252	16315	17440	18753	80421	6564	11252	16315	17440	18753
156	13127	22504	32630	34881	37506	80258	2461	4219	6118	6540	7032	80422	6564	11252	16315	17440	18753	80422	6564	11252	16315	17440	18753	80422	6564	11252	16315	17440	18753	80422	6564	11252	16315	17440	18753	80422	6564	11252	16315	17440	18753
157	13127	22504	32630	34881	37506																																				

Territory 03 - Remainder of State										Physicians and Surgeons State of Illinois										OSTEOPATH RATES (84____) ARE DERIVED BY APPLYING THE FACTOR 1.00 (MULTIPLICATIVELY) TO THE 80____ RATE															
Limits of 100k/300k																																			
1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class	1	2	3	4	5	Class
5228	8962	12995	13891	14937	80233	1431	2453	3557	3802	4089	80272	2442	4187	6071	6489	6978	80272	2442	4187	6071	6489	6978	80272	2442	4187	6071	6489	6978	80272	2442	4187	6071	6489	6978	80272
4770	8177	11857	12675	13629	80234	1431	2453	3557	3802	4089	80274	2442	4187	6071	6489	6978	80274	2442	4187	6071	6489	6978	80274	2442	4187	6071	6489	6978	80274	2442	4187	6071	6489	6978	80274
5228	8962	12995	13891	14937	80235	1431	2453	3557	3802	4089	80276	2442	4187	6071	6489	6978	80276	2442	4187	6071	6489	6978	80276	2442	4187	6071	6489	6978	80276	2442	4187	6071	6489	6978	80276
5228	8962	12995	13891	14937	80236	1431	2453	3557	3802	4089	80277	2442	4187	6071	6489	6978	80277	2442	4187	6071	6489	6978	80277	2442	4187	6071	6489	6978	80277	2442	4187	6071	6489	6978	80277
5228	8962	12995	13891	14937	80237	1431	2453	3557	3802	4089	80278	2442	4187	6071	6489	6978	80278	2442	4187	6071	6489	6978	80278	2442	4187	6071	6489	6978	80278	2442	4187	6071	6489	6978	80278
7632	13084	18971	20279	21806	80238	1431	2453	3557	3802	4089	80279	2442	4187	6071	6489	6978	80279	2442	4187	6071	6489	6978	80279	2442	4187	6071	6489	6978	80279	2442	4187	6071	6489	6978	80279
5228	8962	12995	13891	14937	80240	1431	2453	3557	3802	4089	80280	2442	4187	6071	6489	6978	80280	2442	4187	6071	6489	6978	80280	2442	4187	6071	6489	6978	80280	2442	4187	6071	6489	6978	80280
5228	8962	12995	13891	14937	80241	1431	2453	3557	3802	4089	80281	2442	4187	6071	6489	6978	80281	2442	4187	6071	6489	6978	80281	2442	4187	6071	6489	6978	80281	2442	4187	6071	6489	6978	80281
2862	4906	7114	7605	8177	80243	1431	2453	3557	3802	4089	80282	2442	4187	6071	6489	6978	80282	2442	4187	6071	6489	6978	80282	2442	4187	6071	6489	6978	80282	2442	4187	6071	6489	6978	80282
3816	6542	9486	10140	10903	80244	1431	2453	3557	3802	4089	80283	2442	4187	6071	6489	6978	80283	2442	4187	6071	6489	6978	80283	2442	4187	6071	6489	6978	80283	2442	4187	6071	6489	6978	80283
878	1505	2182	2332	2508	80245	1431	2453	3557	3802	4089	80284	3244	5560	8063	8619	9267	80284	3244	5560	8063	8619	9267	80284	3244	5560	8063	8619	9267	80284	3244	5560	8063	8619	9267	80284
4770	8177	11857	12675	13629	80246	1431	2453	3557	3802	4089	80285	2442	4187	6071	6489	6978	80285	2442	4187	6071	6489	6978	80285	2442	4187	6071	6489	6978	80285	2442	4187	6071	6489	6978	80285
10494	17990	26085	27884	29983	80247	1431	2453	3557	3802	4089	80286	2442	4187	6071	6489	6978	80286	2442	4187	6071	6489	6978	80286	2442	4187	6071	6489	6978	80286	2442	4187	6071	6489	6978	80286
8586	14719	21342	22814	24532	80248	1431	2453	3557	3802	4089	80287	2442	4187	6071	6489	6978	80287	2442	4187	6071	6489	6978	80287	2442	4187	6071	6489	6978	80287	2442	4187	6071	6489	6978	80287
10494	17990	26085	27884	29983	80249	1431	2453	3557	3802	4089	80288	2442	4187	6071	6489	6978	80288	2442	4187	6071	6489	6978	80288	2442	4187	6071	6489	6978	80288	2442	4187	6071	6489	6978	80288
5228	8962	12995	13891	14937	80250	1431	2453	3557	3802	4089	80289	1946	3336	4838	5171	5560	80289	1946	3336	4838	5171	5560	80289	1946	3336	4838	5171	5560	80289	1946	3336	4838	5171	5560	80289
11448	19625	28457	30419	32709	80251	1431	2453	3557	3802	4089	80290	2442	4187	6071	6489	6978	80290	2442	4187	6071	6489	6978	80290	2442	4187	6071	6489	6978	80290	2442	4187	6071	6489	6978	80290
11448	19625	28457	30419	32709	80252	1431	2453	3557	3802	4089	80291	2442	4187	6071	6489	6978	80291	2442	4187	6071	6489	6978	80291	2442	4187	6071	6489	6978	80291	2442	4187	6071	6489	6978	80291
6678	11448	16600	17744	19080	80253	1431	2453	3557	3802	4089	80292	2271	3892	5644	6033	6487	80292	2271	3892	5644	6033	6487	80292	2271	3892	5644	6033	6487	80292	2271	3892	5644	6033	6487	80292
14310	24532	35571	38024	40886	80254	1431	2453	3557	3802	4089	80293	3568	6117	8869	9481	10194	80293	3568	6117	8869	9481	10194	80293	3568	6117	8869	9481	10194	80293	3568	6117	8869	9481	10194	80293
12402	21261	30828	32954	35434	80255	1431	2453	3557	3802	4089	80294	2442	4187	6071	6489	6978	80294	2442	4187	6071	6489	6978	80294	2442	4187	6071	6489	6978	80294	2442	4187	6071	6489	6978	80294
11448	19625	28457	30419	32709	80256	1431	2453	3557	3802	4089	80295	1908	3271	4743	5070	5451	80295	1908	3271	4743	5070	5451	80295	1908	3271	4743	5070	5451	80295	1908	3271	4743	5070	5451	80295
7632	13084	18971	20279	21806	80257	1908	3271	4743	5070	5451	80420	3816	6542	9486	10140	10903	80420	3816	6542	9486	10140	10903	80420	3816	6542	9486	10140	10903	80420	3816	6542	9486	10140	10903	80420
7632	13084	18971	20279	21806	80258	1431	2453	3557	3802	4089	80421	3816	6542	9486	10140	10903	80421	3816	6542	9486	10140	10903	80421	3816	6542	9486	10140	10903	80421	3816	6542	9486	10140	10903	80421
7632	13084	18971	20279	21806	80259	1431	2453	3557	3802	4089	80422	3816	6542	9486	10140	10903	80422	3816	6542	9486	10140	10903	80422	3816	6542	9486	10140	10903	80422	3816	6542	9486	10140	10903	80422
7632	13084	18971	20279	21806	80260	1431	2453	3557	3802	4089	80423	2862	4906	7114	7605	8177	80423	2862	4906	7114	7605	8177	80423	2862	4906	7114	7605	8177	80423	2862	4906	7114	7605	8177	80423
7632	13084	18971	20279	21806	80261	1431	2453	3557	3802	4089	80425	3816	6542	9486	10140	10903	80425	3816	6542	9486	10140	10903	80425	3816	6542	9486	10140	10903	80425	3816	6542	9486	10140	10903	80425
7632	13084	18971	20279	21806	80262	1431	2453	3557	3802	4089	80428	3816	6542	9486	10140	10903	80428	3816	6542	9486	10140	10903	80428	3816	6542	9486	10140	10903	80428	3816	6542	9486	10140	10903	80428
7632	13084	18971	20279	21806	80263	1145	1963	2846	3042	3271	80431	3816	6542	9486	10140	10903	80431	3816	6542	9486	10140	10903	80431	3816	6542	9486	10140	10903	80431	3816	6542	9486	10140	10903	80431
7632	13084	18971	20279	21806	80263	1431	2453	3557	3802	4089	80434	3271	5997	80446	7114	7605	8177	80434	3271	5997	80446	7114	7605	8177	80434	3271	5997	80446	7114	7605	8177	80434	3271	5997	80446
7632	13084	18971	20279	21806	80264	14																													

CONTINENTAL INSURANCE HEALTHCARE

STATE OF ILLINOIS

DENTISTS

TERRITORY 01 - COOK COUNTY

DESCRIPTION	CLASS CODE	1000K/1000K MATURE C_M RATE
-----	-----	-----
Dentists who perform dentistry on patients who have been treated with local anesthesia or inhalation sedation	80211	3,238
Dentists as defined for class 80211 but including dentistry on patients who have been treated by intravenous or intramuscular sedation.If performed in a hospital only 80211 applies	80222	6,476
All oral surgeons	80210	22,180

CLAIMS-MADE MULTIPLIERS

STEP YEAR	MULTIPLIER
-----	-----
1	0.40
2	0.65
3	0.85
4	0.95
5	1.00

STATE OF ILLINOIS

DENTISTS

TERRITORY 02 - REMAINDER OF STATE

DESCRIPTION	CLASS CODE	1000K/1000K MATURE C_M RATE
-----	-----	-----
Dentists who perform dentistry on patients who have been treated with local anesthesia or inhalation sedation	80211	2,023
Dentists as defined for class 80211 but including dentistry on patients who have been treated by intravenous or intramuscular sedation.If performed in a hospital only 80211 applies	80222	4,046
All oral surgeons	80210	13,858

Continental Insurance Healthcare

State of Illinois

Physicians and Surgeons Increased Limits Factors *

Physicians

TABLE A

Each Person Limit

Total Limit	100	150	200	250	300	500	1000
300	1.00						
450	1.02	1.18					
600	1.04	1.20	1.33				
750	1.06	1.22	1.35	1.45			
900	1.08	1.24	1.37	1.48	1.56		
1000	1.10	1.26	1.39	1.50	1.59	1.78	2.07
1500	1.12	1.28	1.41	1.52	1.61	1.80	2.10
2000	1.14	1.30	1.43	1.54	1.64	1.84	2.13
3000	1.16	1.32	1.45	1.56	1.68	1.90	2.16

Surgeons

TABLE B

Each Person Limit

Total Limit	100	150	200	250	300	500	1000
300	1.00						
450	1.04	1.21					
600	1.07	1.24	1.35				
750	1.11	1.28	1.38	1.48			
900	1.13	1.31	1.41	1.51	1.60		
1000	1.15	1.34	1.44	1.57	1.68	1.98	2.42
1500	1.18	1.37	1.47	1.60	1.73	2.01	2.45
2000	1.21	1.41	1.50	1.63	1.78	2.04	2.48
3000	1.24	1.45	1.53	1.66	1.84	2.07	2.51

* These factors apply to the 100/300 rate.

CONTINENTAL INSURANCE HEALTHCARE

DECREASED-INCREASED LIMITS TABLE

DENTISTS

AGGREGATE	Per Medical Incident					
	100	200	250	500	1000	2000
300	0.68					
400	0.70	0.76	0.78			
500	0.71	0.76	0.78	0.86		
600	0.72	0.77	0.79	0.87		
750	0.72	0.78	0.80	0.88		
1000	0.73	0.78	0.80	0.89	1.00	
1250	0.74	0.79	0.81	0.89	1.01	
1500	0.74	0.80	0.82	0.90	1.01	
2000	0.76	0.81	0.83	0.91	1.03	1.07
2500	0.77	0.82	0.84	0.93	1.04	1.09
3000	0.78	0.84	0.86	0.94	1.05	1.10

CONTINENTAL INSURANCE HEALTH CARE

PHYSICIANS AND SURGEONS

State of Illinois

PREMIUM SIZE CREDITS

PREMIUM BEFORE DISCOUNT	DISCOUNT	MULTIPLICATIVE FACTOR
10,000-30,000	3.5%	96.5%
30,001-40,000	4.0%	96.0%
40,001-65,000	4.5%	95.5%
65,001-100,000	5.0%	95.0%
> 100,000	5.5%	94.5%

TAIL MULTIPLIERS

STEP YEAR	FUNCTION OF RECENT STEP RATE	FUNCTION OF RECENT MATURE RATE
1	3.62	1.09
2	2.90	1.74
3	2.56	2.10
4	2.51	2.31
5	2.42	2.42

CONTINENTAL INSURANCE HEALTH CARE

PHYSICIANS AND SURGEONS

State of Illinois

DEDUCTIBLE CREDITS

LIMIT	DEDUCTIBLE CREDIT
5,000	0.16
10,000	0.18
25,000	0.21
50,000	0.35
75,000	0.45
100,000	0.55
150,000	0.70
200,000	0.80
250,000	0.90

* TO BE APPLIED TO 100K/300K PREMIUM



STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
320 WEST WASHINGTON STREET
SPRINGFIELD, ILLINOIS 62767-0001

GEORGE H. RYAN
GOVERNOR

NATHANIEL S. SHAPIRO
DIRECTOR

6/26/02

ATTN: David Sykes

Continental Insurance Company
CNA Plaza
Chicago, IL 60685

Re: Medical Malpractice Manual
13-5010440

Dear Mr. Sykes:

The enclosed pages from your Medical Malpractice manual may or may not be current. Please review and return all of the enclosed pages with a note on each page indicating which ones are still in use and which ones are not in use.

If you have any questions, please let us know.

Sincerely,

John Gatlin
Supervisor, Property and Casualty Compliance Unit
(217) 782-1786
Fax: 217-524-2122
john_gatlin@ins.state.il.us

Please refer to the Property Casualty IS3 Review Requirement Checklists before submitting a paper filing or an electronic filing (SERFF). They can be accessed through the Department's WEB Site (<http://www.state.il.us/ins/>) by clicking on "Regulatory" under Industry.

Continental Ins Co

DOCTORS PROFESSIONAL LIABILITY COVERAGE

RULES

1. Coverage

This coverage affords protection against claims for injuries arising out of the insured's acts or omissions of a professional nature.

For details of coverage, refer to the Doctors Professional Liability Insuring Agreement - Claims Made form. All coverages are written on a claims made basis. The Insuring Agreement plus the General Rules plus the Nuclear Exclusion and the Pollution Exclusion make up a policy.

Policies may be written to cover individual liability, partnership liability or corporate liability.

2. Limits of Liability

Manual rates provide a basic limit of \$100,000 each person and \$300,000 total limit.

The above limits apply separately to individual and partnership/corporate liability. For individual liability, the limits also apply separately to each individual insured. For partnership/corporate liability, only one set of limits applies regardless of the number of insureds.

Increased limits of liability may be provided. See following.

3. Increased Limit Factors

Refer to the classification pages for the appropriate table.

<u>Limit per person</u>	<u>Total Limit</u>	<u>Table A</u>	<u>Table B</u>
100,000	300,000	1.00	1.00
200,000	600,000	1.35	1.45
500,000	500,000	1.85	2.10
1,000,000	1,000,000	2.05	2.25
1,000,000	3,000,000	2.10	2.35
2,000,000	2,000,000	2.31	2.80
2,000,000	3,000,000	2.36	2.95

1. Policy Period

Policies may be written for a specific term up to one year.

2. Classifications - Codes

	Classification	Code	ILF Table
I.	Aerospace Medicine	80230	A
	Allergy	80254	A
	Anesthesiology	80151	B
	This classification applies to all general practitioners or specialists who perform general anesthesia or acupuncture anesthesia.		
	Broncho - Esophagology	80101	A
	Cardiovascular Disease - minor surgery	80281	A
	Cardiovascular Disease - no surgery	80255	A
	Certified Registered Nurse Anesthetists	80452	B
	Dentists	80210	B
	This classification applies to any dentist engaged in oral surgery or operative dentistry on patients rendered unconscious through the administering of any anesthesia or analgesia.		
	Dentists	80211	A
	This is an N.O.C. classification.		
	Dermatology - minor surgery	80282	A
	Dermatology - no surgery	80256	A
	Diabetes - minor surgery	80271	A
	Diabetes - no surgery	80237	A
	Emergency Medicine - including major surgery	80157	B
	This classification applies to any general practitioner or specialist primarily engaged in emergency practice at a clinic, hospital or rescue facility who performs major surgery.		
	Emergency Medicine - no major surgery	80102	A
	This classification applies to any general practitioner or specialist primarily engaged in emergency practice at a clinic, hospital or rescue facility who does not perform major surgery.		
	Endocrinology - minor surgery	80272	A
	Endocrinology - no surgery	80238	A
	Family Physicians or General Practitioners - no surgery	80420	A
	Family Physicians or General Practitioners - minor surgery	80421	A

<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
Forensic Medicine		
Gastroenterology - minor surgery	80240	A
Gastroenterology - no surgery	80274	A
General Preventive Medicine - no surgery	80241	A
Geriatrics - minor surgery	80231	
Geriatrics - no surgery	80276	A
Gynecology - minor surgery	80243	A
Gynecology - no surgery	80277	A
Hematology - minor surgery	80244	A
Hematology - no surgery	80278	A
Hypnosis	80245	A
Infectious Diseases - minor surgery	80232	A
Infectious Diseases - no surgery	80279	A
Intensive Care Medicine	80246	A
This classification applies to any general practitioner or specialist employed in an intensive care hospital unit.		
Internal Medicine - minor surgery	80283	A
Internal Medicine - no surgery		
Laryngology - minor surgery	80284	A
Laryngology - no surgery	80257	A
Legal Medicine	80285	A
Manipulation	80258	A
Neoplastic Diseases - minor surgery	80240	A
Neoplastic Diseases - no surgery	84801	
Nephrology - minor surgery	80286	A
Nephrology - no surgery	80259	A
Neurology - including child - minor surgery	80287	A
Neurology - including child - no surgery	80260	A
Nuclear Medicine	80288	A
Nutrition	80261	A
Occupational Medicine	80262	A
Ophthalmology - minor surgery	80248	A
Ophthalmology - no surgery	80233	A
Otology - minor surgery	80290	A
Otology - no surgery	80263	A
Otorhinolaryngology - minor surgery	80289	A
Otorhinolaryngology - no surgery	80264	A
Pathology - minor surgery	80291	A
Coverage is included for pathologi- cal laboratories		
Pathology - no surgery	80265	A
Coverage is included for pathologi- cal laboratories.		
Pediatrics - minor surgery	80292	A
Pediatrics - no surgery	80266	A
Pharmacology - clinical		
Physiatry	80293	A
	80267	A
	80234	A
	80235	A

<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
Physical Medicine and Rehabilitation	80235	A
Physicians - minor surgery	80294	A
This an N.O.C. classification.		
Physicians - no major surgery	80534	A
This classification applies to all general practitioners or specialists except those performing major surgery, anesthesiology or acupuncture anesthesiology, who perform any of the following medical techniques or procedures:		
Acupuncture - other than acupuncture anesthesia		
Angiography		
Arteriography		
Catheterization - arterial, cardiac or diagnostic-other than (1) the occasional emergency insertion of pulmonary wedge pressure recording catheters or temporary pacemakers, (2) urethral catheterization or (3) umbilical cord catheterization for diagnostic purposes or for monitoring blood gases in newborns receiving oxygen.		
Discograms		
Lasers - used in therapy		
Lymphangiography		
Myelography		
Phlebography		
Pneumoencephalography		
Radiation Therapy		
As respects Radiation - therapeutic coverage is included for x-ray laboratories.		
Shock Therapy		
Physicians - no major surgery	80533	A
These classifications apply to all general practitioners or specialists, except those performing major surgery, anesthesiology or acupuncture anesthesiology, who perform any of the following medical techniques or procedures:		
Colonoscopy		
Endoscopic-Retrograde Cholangio-pancreatography		
Laparascopy (peritoneoscopy)		
Needle Biopsy - Including lung and prostate, but not including liver, kidney or bone marrow biopsy		

<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
Pneumatic or mechanical esophageal dilation (not bougie or olive)		
Radiopaque Dye Injections - into blood vessels, lymphatics, sinus tracts and fistulae (Not applicable to radiologists codes 80280)		
Physicians - no surgery	80268	A
This is an N.O.C. classification.		
Physicians or Surgeons Assistants	80116	A
This classification applies to physicians or surgeons assistants who have completed an approved course of study leading to university certification and who perform their duties under the direct supervision of a licensed physician or surgeon assisting in the clinical and/or research endeavors of the physician or surgeon.		
Psychiatry - including child	80249	A
Psychoanalysis	80250	A
Psychosomatic Medicine	80251	A
Public Health	80236	A
Pulmonary Diseases - no surgery	80269	A
Radiology - diagnostic - minor surgery	80280	A
Coverage is included for X-ray laboratories.		
Radiology - diagnostic - no surgery	80253	A
Coverage is included for X-ray laboratories.		
Rheumatology - no surgery	80252	A
Rhinology - minor surgery	80270	A
Rhinology - no surgery	80247	A
Scleotherapy	84802	A
Surgery - abdominal	80166	B
Surgery - cardiac	80141	B
Surgery - cardiovascular disease	80150	B
Surgery - colon and rectal	80115	B
Surgery - endocrinology	80103	B
Surgery - gastroenterology	80104	B
Surgery - general	80143	B
This is an N.O.C. classification.		
This classification does not apply to any family or general practitioner or to any specialist who occasionally performs major surgery.		
Surgery - general practice or family practice	80117	B
Surgery - geriatrics	80105	B
Surgery - gynecology	80167	B

<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
Surgery - hand	80169	B
Surgery - head and neck	80170	B
Surgery - laryngology	80106	B
Surgery - neoplastic	80107	B
Surgery - nephrology	80108	B
Surgery - neurology - including child	80152	B
Surgery - obstetrics	80168	B
Surgery - obstetrics - gynecology	80153	B
Surgery - ophthalmology	80114	B
Surgery - orthopedic	80154	B
Surgery - otology	80158	B
This classification does not apply to general practitioners or specialists performing plastic surgery.		
Surgery - otorhinolaryngology	80159	B
This classification does not apply to general practitioners or specialists performing plastic surgery.		
Surgery - plastic	80156	B
This is an N.O.C. classification.		
Surgery - plastic otorhinolaryngology	80155	B
Surgery - rhinology	80160	B
Surgery - thoracic	80144	B
Surgery - traumatic	80171	B
Surgery - urological	80145	B
Surgery - vascular	80146	B

Special Classifications

II. The following classifications and codes apply to physicians and surgeons in active United States Military Service and should be referred to the Company for rating.

Physicians - no surgery	80131	A
Physicians - minor surgery	80132	A
Physicians or Surgeons - major surgery	80172	B
This classification applies to those specialists who would normally be assigned to one of the following M.D. codes:		
80101 80104 80108		
80102 80105 80114 80117		
80103 80107 80115		

<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
Physicians or Surgeons - major surgery This classification applies to the specialist who would normally be assigned to M.D. code 80145	80173	B
Physicians or Surgeons - major surgery This classification applies to those specialists who would normally be assigned to the following codes: 80106 80151 80158 80141 80155 80159 80166 80143 80157 80160	80174	B
Physicians or Surgeons - major surgery This classification applies to those specialists who would normally be assigned to one of the following M.D. codes: 80153 80168 80156 80169 80167 80170	80175	B
Physicians or Surgeons - major surgery This classification applies to those specialists who would normally be assigned to one of the following M.D. codes: 80144 80152 80146 80154 80150 80171	80176	B
Additional Charges:		
Radiation Therapy	80136	A
Shock Therapy	80137	A

III. The following classifications and codes apply to teaching doctors.

Teaching Physicians - no surgery This classification applies to those physicians who would normally be assigned to codes 80230 through 80269 inclusive.	80321	A
Teaching Physicians - minor surgery This classification applies to those physicians who would normally be assigned to codes 80270 through 80294 inclusive.	80322	A

<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
Teaching Physicians - major surgery This classification applies to those specialists who would normally be assigned to one of the following codes: 80101 80104 80108 80117 80102 80105 80114 80103 80107 80115	80323	B
Teaching Physicians or Surgeons - major surgery This classification applies to those specialists who would normally be assigned to code 80145.	80324	B
Teaching Physicians or Surgeons - major surgery This classification applies to those specialists who would normally be assigned to one of the following codes: 80106 80151 80158 80166 80141 80155 80159 80143 80157 80160	80325	B
Teaching Physicians or Surgeons - major surgery This classification applies to those specialists who would normally be assigned to one of the following codes: 80153 80167 80169 80156 80168 80170	80326	B
Teaching Physicians or Surgeons - major surgery This classification applies to those specialists who would normally be assigned to one of the following codes: 80144 80150 80154 80146 80152 80171	80327	B

IV. Other

Radiation Therapy - by insured physicians or surgeons involved with major surgery

80165 A

Shock Therapy - by insured physicians or surgeons involved with major surgery
This additional charge applies to each insured physician or surgeon doing shock therapy work.

80162 A

<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
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The following classifications should be referred to Company for rating:

Shock Therapy - by employed physicians or surgeons involved with major surgery This additional charge applies to each employed physician or surgeon doing shock therapy work.	80161	B
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Radiation Therapy - by employed physicians or surgeons involved with major surgery This additional charge applies to each employed physician or surgeon doing X-ray therapy work.	80163	B
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X-ray Therapy - by employed dentists This additional charge applies to each employed dentist doing X-ray therapy work.	80214	B
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X-ray Therapy - by insured dentists This additional charge applies to each insured dentist doing X-ray therapy work.	80215	A
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This classification applies to each insured dentist.

For dentists while in the active military service of the United States, the following classifications apply:

Dentists	80216	A
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Additional charges:

X-ray Therapy	80217	A
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For dentists employed full time by the Federal Government but not in active military service of the United States, the following classifications apply:

Dentists This classification applies to any dentist engaged in oral surgery of operative dentistry on patients rendered unconscious through the administering of any anesthesia or analgesia.	80225	B
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<u>Classification</u>	<u>Code</u>	<u>ILF Table</u>
Dentists	80223	A

This is an N.O.C. classification

Additional Charges:

X-ray Therapy	80221	A
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The footnotes under each classification should be observed in determining the application of the classification.

V. Osteopathic Physicians and Surgeons

Osteopathic Physicians and Surgeons. The second digit of the code number will be a 4 instead of a 0.

6. Territory

Refer to rate pages for appropriate territory. If a doctor practices in more than one territory, the doctor is rated in the higher territory.

. Rates and Premium Calculations

A. Rates are shown on the rate pages opposite the identifying code numbers.

B. Additional Premium Charges

Prorate all charges requiring additional premium.

Apply the rates and rules in effect on the effective date of the change even if the policy inception premium was less than Policy Writing Minimum Premium.

Waive additional premium of \$50.00 or less.

C. Return Premium Charges

Compute return premium pro rata when any coverage or exposure is deleted or an amount of insurance is reduced.

Compute the return premium using the rates and rules in effect on the effective date of the policy.

Waive return premium of \$50.00 or less. Grant any return premium due if requested by the insured.

Retain the policy writing minimum premium.

D. Rates are to be rounded to the nearest whole dollar.

E. Policy Cancellation

Compute return premium pro rata and round to the next higher whole dollar when:

1. a policy is cancelled at the Company's request,
2. the insured no longer has a financial or insurable interest in the property or business operating that is the subject of insurance,
3. a policy is canceled and rewritten in the same company or company group.

Otherwise compute the return premium at .90 of the pro rata unearned premium.

Retain the policy writing minimum premium when the insured requests cancellation except when a policy is canceled as of the inception date.

F. Individual Professional Liability

The rates apply per annum.

If two or more classifications apply to the same individual, use the highest rate classification.

Refer to the rate page corresponding to the number of years the retroactive date precedes the policy expiration date. If the retroactive date does not coincide with the policy date, use the column applicable to the nearest number of years the retroactive date precedes the policy expiration date.

G. Partnership, Corporate, or Professional Association Liability.

1. The rate shall be 10% of the per person rate for each individual member.

H. Additional Interests

1. Employees, except certified registered nurse anesthetists and physician's assistants, may be included as additional insureds by applying a 10% charge to the premium developed for the doctor(s) insured by the same policy.
2. Employees, including certified registered nurse anesthetists and physician's assistants, may be included as additional insureds at an additional premium computed as follows:
 - a) The appropriate individual rate for each employed certified registered nurse anesthetist, plus
 - b) The appropriate individual rate for each employed physician's assistant, plus,
 - c) The premium as developed for employees in Item H.1 above.
3. Employed Doctors - refer to Company.

- I. If the policy is written with a deductible, apply the credit from the table below to the basic limits premium and deduct the result from the increased limit premium.

<u>Limit</u>	<u>Deductible Credit</u>
5,000	.030
10,000	.060
25,000	.140
50,000	.250
100,000	.400
150,000	.500

Refer to Company for other deductibles or when an aggregate is desired.

- J. A rate modification, reflecting specified characteristics of the risk, may be applied in accordance with the schedule rating plan table below, subject to a maximum debit/credit of 10% per policy.

1. Participation in loss prevention activities sponsored or endorsed by recognized medical organizations and approved by the company:

Max credit 10%

Lack of participation

Max debit 10%

2. Compliance with company loss prevention recommendations

Max credit 10%

Lack of compliance

Max debit 10%

3. Existence of effective incident reporting system

Max credit 10%

Lack of effective incident reporting system

Max debit 10%

- K. If a risk develops an annual manual premium of \$100,000 or more at limits of \$100,000/\$300,000, the risk may be submitted to the company for "a" rating.

- L. Change of Carrier - Guide (a) rates
Claim reporting requirements of the insured vary by insurance company. To acknowledge this non standardization in claims made forms, a maximum debit or credit of 10% may be applied.

- M. A single policy issued to five or more doctors and generating a premium of at least \$10,000 is eligible for a premium discount determined by the following table.

<u>Premium before discount</u>	<u>Discount</u>	<u>Multiplicative Factor</u>
10,000 - 30,000	3.5%	.965
30,001 - 40,000	4.0%	.960
40,001 - 65,000	4.5%	.955
65,001 - 100,000	5.0%	.950
100,001 or more	5.5%	.945

- N. Teaching Doctors - Guide (a) Rates

Use the appropriate rate from the doctor's classification section and apply the following factor based on the amount of patient contact involved.

<u>Amount of Patient Contact</u>	<u>Factors Applied to Doctor Rate</u>
Less than 25%	.50
25% to 50%	.70
51% to 75%	.80

O. Doctors who are starting a private practice immediately following completion of their residency program may receive a discount of 20% off their first year premium.

P. Locum Tenens

Coverage for temporary substitute doctors may be provided by adding them as additional insureds.

The locum tenens doctor shall complete an application and submit it in advance of the effective date of coverage.

The locum tenens doctor shares the limit of liability with the doctor for whom he/she is substituting and there is no additional premium.

This coverage is available to a substitute physician for a maximum of 90 days in any policy year.

Q. Clinics, Preferred Providers Organizations (PPO's), and Health Maintenance Organization (HMO's)

These alternative health care provider systems generally present unique exposures to the company. Due to their variety and complexity they must be submitted to the company for rating.

R. Policy Writing Minimum Premium

Apply a \$500.00 minimum premium per policy regardless of term.

8. REPORTING ENDORSEMENTS

The Reporting Endorsement provides coverage for claims arising from professional services which occur subsequent to the retroactive date and prior to the end of the policy period.

The premium for the Reporting Endorsement is determined by applying the factor from the table below to the mature claims made rate for the applicable classification effective on the date the Reporting Endorsement begins.

<u>Number of Years in Claims Made Program</u>	<u>Reporting Endorsement Multiples</u>
1	1.09
2	1.74
3	2.10
4	2.31
5 or more	2.42

The Reporting Endorsement provides for an unlimited period of time.

The Reporting Endorsement is provided at no cost:

- A. To your beneficiary, if you die.
- B. To you, if you retire after age 60 and have been insured with us for 5 or more years immediately preceding your retirement.
- C. To you, if you become totally and continuously disabled for at least 6 months as a result of sickness or accidental bodily injury.

If no extended reporting period endorsement is purchased, a Basic Extended Reporting Period is automatically provided without additional charge for a period of sixty (60) days. See the General Rules section of the policy for the details of this extension.

DEFINITIONS

- A. Doctor - dentist, osteopathic physician or surgeon, physician, podiatrist, surgeon.
- B. D.O. - doctor of osteopathy.
- C. Major Surgery -
 - 1. performing major surgery, or
 - 2. assisting in major surgery on patients other than the insured's,
 - 3. Tonsillectomies, adenoidectomies and caesarian sections are major surgery.

D. M.D. - medical doctor.

E. Minor Surgery -

1. performing minor surgery (including obstetrical procedures which are not major surgery), or
2. assisting in major surgery on the insured's patients.

F. No Surgery - neither performing surgery or obstetrical procedures nor assisting in surgery. Incising of boils and superficial fascia, suturing of minor lacerations and removal of superficial skin lesions by other than surgical excision are not surgery.

COMMERCIAL LINES MANUAL
DIVISION SIX - GENERAL LIABILITY
EXCEPTION PAGE

RESIDENT HEALTH CARE FACILITIES - SPECIAL RULES AND RATES

1. General

The following special rules and rates apply to resident health care facilities as shown below in the Eligibility Rule.

2. Eligibility

The following classes are eligible for the application of the rules and rates contained on these exception pages:

<u>CLASS</u>	<u>DESCRIPTION</u>
1. Convalescent Facility	1. a. Provides <u>skilled nursing care</u> .* b. Such care is provided on a continuous basis. c. Provides care and treatment for patients who require health care but not hospital services. d. Maintains an organized medical staff, including physician and continuous nursing services. e. 50% or more of patients are <u>under</u> age 65.
2. Skilled Nursing Facility	2. a. Provides <u>skilled nursing care</u> .* b. Such care is provided on a continuous basis. c. Provides care and treatment for patients who require health care but not hospital services. d. Maintains an organized medical staff, including physician and continuous nursing services. e. 50% or more of patients are <u>over</u> age 65.
3. Personal Care Facility	3. a. Principally provides health-related <u>personal care</u> *, residential and social care with some routine health care. b. Maintains at least one shift with a licensed or registered nurse to provide routine health care and observation. However; c. Does <u>not</u> provide continuous skilled nursing care.

* See Definitions of these terms.

Note:

1. Rehabilitation facilities operated in conjunction with any of the above should be separately classified and rates for professional liability at a rate per: 100 out-patient visits equal to 10% of the "convalescent facility" rate.

**COMMERCIAL LINES MANUAL
DIVISION SIX - GENERAL LIABILITY
RATE PAGE
MEDICAL PROFESSIONAL/PREMISES OPERATIONS
RATES PER BED**

<u>Territory</u>	<u>Type of Facility</u>		
	<u>Convalescent Facility</u>	<u>Skilled Nursing Facility</u>	<u>Personal Care Facility</u>
01	155.00	84.50	27.80
04	153.00	82.50	26.90
06	154.00	83.50	28.00
07	154.70	84.20	27.90
08	153.80	83.30	27.30
09	154.30	83.80	27.80
14	152.80	82.30	27.00

Increased Limits Factors

25/75	1.00
100/100	1.35
100/300	1.37
250/500	1.50
300/300	1.70
300/500	1.74
500/500	1.95
500/1000	2.00
1000/1000	2.25

Note: Aggregate limit per location applies only to professional occurrences.

COMMERCIAL LINES MANUAL
DIVISION SIX - GENERAL LIABILITY - MEDICAL PROFESSIONAL
COMPANY RATE PAGE: PHYSICIANS, SURGEONS AND DENTISTS PROFESSIONAL (SUBLINE CODE 230)
ILLINOIS (12)

CODE NUMBERS			CODE NUMBERS			CODE NUMBERS		
M.D.	D.O.	(*)	M.D.	D.O.	(*)	M.D.	D.O.	(*)
80101	--	\$20,405	80176	84176	\$490	80266	84266	\$5,213
80102	84102	\$20,405	80177	84177	*	80267	84267	\$8,192
80103	--	\$20,405	80178	84178	**	80268	84268	\$5,584
80104	--	\$20,405	80179	84179	(A)	80269	84269	\$5,584
80105	--	\$20,405	80210	--	\$4,470	80270	--	\$9,534
80106	--	\$22,491	80211	--	\$1,565	80271	--	\$9,534
80107	--	\$20,405	80212	--	\$1,118	80272	84272	\$9,534
80108	--	\$20,405	80213	--	\$390	80274	84274	\$9,534
80114	--	\$11,172	80214	--	(A)	80276	84276	\$9,534
80115	--	\$17,054	80215	--	(A)	80277	84277	\$9,534
80116	84116	\$3,425	80216	--	\$49	80278	84278	\$9,534
80117	--	\$20,405	80217	--	(A)	80279	--	\$9,534
80129	84129	\$698	80221	--	(A)	80280	84280	\$9,534
80131	84131	\$74	80223	--	\$1,174	80281	84281	\$9,534
80132	84132	\$128	80225	--	\$3,351	80282	84282	\$9,534
80136	84136	\$74	80230	--	\$5,584	80283	84283	\$9,534
80137	84137	\$74	80231	--	\$5,584	80284	84284	\$12,661
80141	--	\$34,108	80232	--	\$5,584	80285	--	\$9,534
80143	84143	\$34,108	80233	84233	\$5,584	80286	--	\$9,534
80144	84144	\$47,661	80234	--	\$5,584	80287	--	\$9,534
80145	84145	\$22,491	80235	84235	\$5,584	80288	84288	\$9,534
80146	--	\$54,514	80236	--	\$5,584	80289	84289	\$7,597
48	84148	\$280	80237	--	\$5,584	80290	--	\$9,534
49	84149	\$558	80238	84238	\$5,584	80291	84291	\$9,534
80150	84150	\$54,514	80240	84240	\$5,584	80292	84292	\$8,862
80151	84151	\$23,830	80241	84241	\$5,584	80293	84293	\$13,927
80152	84152	\$55,855	80243	84243	\$5,584	80294	--	\$9,534
80153	84153	\$55,855	80244	84244	\$5,584	80321	--	\$5,584
80154	84154	\$52,428	80245	84245	\$5,584	80322	--	\$9,534
80155	84155	\$34,108	80246	--	\$5,584	80323	--	\$20,405
80156	84156	\$44,237	80247	--	\$5,584	80324	--	\$22,491
80157	84157	\$34,108	80248	--	\$5,584	80325	--	\$34,108
80158	--	\$22,491	80249	84249	\$5,584	80326	--	\$40,885
80159	--	\$22,491	80250	--	\$5,584	80327	--	\$54,514
80160	--	\$22,491	80251	84251	\$5,584	80420	84420	\$7,448
80161	84161	\$1,395	80252	84252	\$5,584	80421	84421	\$12,661
80162	84162	\$2,086	80253	84253	\$5,584	80422	84422	\$20,405
80163	84163	\$1,395	80254	84254	\$5,584	80425	84425	\$20,405
80165	84165	\$5,138	80255	84255	\$5,584	80428	84428	\$20,405
80166	--	\$34,108	80256	84256	\$5,584	80431	84431	\$20,405
80167	84167	\$40,885	80257	84257	\$7,448	80434	84434	\$20,405
80168	--	\$55,855	80258	--	\$5,584	80437	84437	\$20,405
80169	--	\$40,885	80259	--	\$5,584	80440	84440	\$11,617
80170	--	\$40,885	80260	--	\$5,584	80443	84443	\$11,617
80171	--	\$54,514	80261	84261	\$5,584	80446	84446	\$11,617
80172	84172	\$294	80262	84262	\$5,584	80449	84449	\$11,617
80173	84173	\$392	80263	84263	\$4,470	80452	84452	\$2,384
80174	84174	\$392	80264	--	\$5,584	--	84801	\$5,584
80175	84175	\$490	80265	84265	\$5,584	--	84802	\$9,534
						80999	84999	***

* 25% OF THE RATE APPLICABLE FOR THE SELF-EMPLOYED PHYSICIAN OR SURGEON

** 75% OF THE RATE APPLICABLE IF PHYSICIANS OR SURGEONS WERE NOT EMPLOYED BY THE FEDERAL GOV'T.

** 10% OF THE PER PERSON RATE FOR EACH INDIVIDUAL COMPRISING THE PARTNERSHIP.

COMPREHENSIVE BUSINESS POLICY

ILLINOIS STATE PAGES

Additional Provisions and Exceptions

SACO 1 501 (Illinois Changes - Exclusion - Sexual Conduct)

This endorsement:

1. Provides defense for alleged conduct of a sexual nature unless there is a legal determination that such conduct did occur.
2. Must be attached to forms providing Religious Institution Counseling Services Liability Coverage.

CBP 910 (Religious Institution Directors, Officers and Trustees Liability - Illinois Mandatory Endorsement)

This endorsement:

1. Amends the "Cancellation" condition and the exclusion relating to punitive damages.
2. Must be attached to forms providing Religious Institution Directors, Officers and Trustees Liability Coverage.

RELIGIOUS INSTITUTION PROGRAM

6. OPTIONAL COVERAGES

- A. Religious Institution Property Endorsement (SCP04 503) and Crime Coverage Extensions Endorsement (SCP04 507)

The premium for these endorsements is as follows:

Cook County	-	\$120
Remainder of State	-	\$ 90

RESIDENT HEALTH CARE FACILITY PROGRAM

5. OPTIONAL COVEAGES

- C. Resident Health Care Professional Liability Coverage Form (SACOO 526 or SACOO 527)

The rates for this coverage are as follows:

COMPREHENSIVE BUSINESS POLICY

ILLINOIS STATE PAGES

Additional Provisions and Exceptions

Territory		Convalescent Facility	Skilled Nursing Facility	Personal Care Facility
<hr/>				
Occurrence				
Rates				
	1	179.40	97.80	32.20
	4	177.10	95.50	31.10
	6	178.30	96.70	32.40
	7	179.10	97.50	32.30
	8	178.00	96.40	31.60
	9	178.60	97.00	32.20
	14	176.90	95.30	31.30
Claims-Made				
Rates				
	1	172.20	93.90	30.90
	4	170.00	91.70	29.90
	6	171.20	92.80	31.10
	7	171.90	93.60	31.00
	8	170.90	92.50	30.30
	9	171.50	93.10	30.90
	14	169.80	91.50	30.00

COMPREHENSIVE BUSINESS POLICY

ILLINOIS

Multi-Peril Modification Factors

	COMMERCIAL PROPERTY & FILED IM*	BOILER & MACHINERY	CRIME	AUTOMOBILE	GENERAL LIABILITY
<u>MOTEL/HOTEL</u>	.90	.90	1.00	1.00	1.00
<u>APARTMENTS</u>	.60	.90	.70	1.00	.90
<u>OFFICES</u>					
Financial Institutions					
CBP Extra	.60	.90	.70	1.00	.80
Other Offices	.65	.90	.80	1.00	.90
<u>MERCANTILE</u>	.75	.90	.75	1.00	.90
<u>INSTITUTIONAL</u>					
Religious Institutions					
CBP Xtra	.70	.90	.70	1.00	.80
Resident Health Care					
CBP Xtra	.70	.90	.70	1.00	.80
Municipalities	.80	.90	.80	1.00	1.00
Other Institutional	.80	.90	.80	1.00	.90
<u>SERVICES</u>					
Fuel Oil Dealers					
CBP Xtra	.70	.90	.70	1.00	.90
Veterinarians CBP Xtra	.70	.90	.70	1.00	.80
Printers & Lithographers					
CBP Xtra	.60	.90	.70	1.00	.80
Other Services	.70	.90	.70	1.00	.90
<u>INDUSTRIAL/PROCESSING</u>					
Light Metal Workers					
CBP Xtra	.75	.90	.75	1.00	.80
Other Industrial/Proc.	.80	.90	.80	1.00	.90
<u>CONTRACTORS</u>	.90	.90	.90	1.00	1.00

*Earthquake and Glass Exception

The Multi-Peril Modification Factor applicable to Glass and Earthquake is either:

(a) .80;

or

(b) The applicable Commercial Property Multi-Peril Modification Factor; whichever produces the higher premium.

CONTINENTAL INSURANCE HEALTHCARE

STATE OF ILLINOIS

EXHIBIT I
PAGE 1

TERM 01: #
COOK COUNTY

DENTAL PROFESSIONAL LIABILITY PROGRAM

1M/1M MATURE CLAIMS MADE RATES

CLASS DESCRIPTION	CLASS CODE	CONTINENTAL'S PRESENT RATE	CONTINENTAL'S PROPOSED RELATIVITY	CNA'S PRESENT RATE	CONTINENTAL'S PROPOSED RATE	CONTINENTAL'S BASE RATE CHANGE
GP DENTIST	80211	3769	1.00	3408	3238	-14.1%
INTRAVENOUS/INTRAMUSCULAR ANESTHESIA	80223	3769	2.00	6817	6476	71.8%
ORAL SURGEON	80210	28130	6.85	23347	22180	-21.2%

CONTINENTAL'S PRESENT TERM 01 CONTAINS COOK COUNTY AND IS LARGER THAN COOK COUNTY
THE PROPOSED TERRITORY 01 WILL CONTAIN ONLY COOK COUNTY

CONTINENTAL INSURANCE HEALTHCARE

EXHIBIT I

PAGE 2

STATE OF ILLINOIS

TERM 02: #
REMAINDER OF STATE

DENTAL PROFESSIONAL LIABILITY PROGRAM

1M/1M MATURE CLAIMS MADE RATES

CLASS DESCRIPTION	CLASS CODE	CONTINENTAL's PRESENT RATE	CONTINENTAL's PROPOSED RELATIVITY	CNA's PRESENT RATE	CONTINENTAL's PROPOSED RATE	CONTINENTAL's BASE RATE CHANGE
GP DENTIST	80211	2692	1.00	2130	2023	-24.8%
INTRAVENOUS/INTRAMUSCULAR ANESTHESIA	80223	2692	2.00	4260	4047	50.3%
ORAL SURGEON	80210	20093	6.85	14589	13859	-31.0%

CONTINENTAL PRESENTLY HAS 3 TERRITORIES IN ILLINOIS. WE PROPOSE TO USE THE
SAME TERM DEFINITIONS AS CNA.

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Exhibit 2

Continental Insurance HealthCare

Dentists Program

Claims made multipliers

Step Year	Present CIHC	CNA countrywide	Hartford NY	ISO physicians	ISO dentists	Proposed CIHC
1	0.300	0.345	0.368	0.294	0.441	0.400
2	0.600	0.644	0.658	0.588	0.588	0.650
3	0.820	0.850	0.842	0.882	0.882	0.850
4	0.920	0.942	0.947	0.941	0.941	0.950
5	1.000	1.000	1.000	1.000	1.000	1.000

Class relativites

GP Dentist	1.00
Intravenous/Intramuscular Anesthesia	2.00
Oral Surgeon	6.85

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Physicians, Surgeons and Dentists
 State of Illinois
 First year claims made rates
 by Class and Territory

Section 9
 Exhibit 2
 Sheet 1a

Class	Class Relativity	-----Territory-----		
		01	02	03
80101	2.74	6,046	4,912	3,724
80102	2.74	6,046	4,912	3,724
80103	2.74	6,046	4,912	3,724
80104	2.74	6,046	4,912	3,724
80105	2.74	6,046	4,912	3,724
80106	3.02	6,663	5,414	4,105
80107	2.74	6,046	4,912	3,724
80108	2.74	6,046	4,912	3,724
80114	1.50	3,310	2,689	2,039
80115	2.29	5,053	4,105	3,113
80116	0.46	1,015	825	625
80116	0.46	1,015	825	625
80117	2.74	6,046	4,912	3,724
80141	4.58	10,105	8,211	6,226
80143	4.58	10,105	8,211	6,226
80144	6.40	14,121	11,473	8,700
80145	3.02	6,663	5,414	4,105
80146	7.32	16,151	13,123	9,950
80150	7.32	16,151	13,123	9,950
80151	3.20	7,060	5,737	4,350
80152	7.50	16,548	13,445	10,195
80153	7.50	16,548	13,445	10,195
80154	7.04	15,533	12,621	9,569
80155	4.58	10,105	8,211	6,226
80156	5.94	13,106	10,649	8,074
80157	4.58	10,105	8,211	6,226
80158	3.02	6,663	5,414	4,105
80159	3.02	6,663	5,414	4,105
80160	3.02	6,663	5,414	4,105
80162	0.28	618	502	381
80165	0.69	1,522	1,237	938
80166	4.58	10,105	8,211	6,226
80167	5.49	12,113	9,842	7,463
80168	7.50	16,548	13,445	10,195
80169	5.49	12,113	9,842	7,463
80170	5.49	12,113	9,842	7,463
80171	7.32	16,151	13,123	9,950

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Physicians, Surgeons and Dentists
State of Illinois
First year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 1b

Class	Class Relativity	-----Territory-----		
		01	02	03
80230	0.75	1,655	1,345	1,019
80231	0.75	1,655	1,345	1,019
80232	0.75	1,655	1,345	1,019
80233	0.75	1,655	1,345	1,019
80234	0.75	1,655	1,345	1,019
80235	0.75	1,655	1,345	1,019
80236	0.75	1,655	1,345	1,019
80237	0.75	1,655	1,345	1,019
80238	0.75	1,655	1,345	1,019
80240	0.75	1,655	1,345	1,019
80241	0.75	1,655	1,345	1,019
80243	0.75	1,655	1,345	1,019
80244	0.75	1,655	1,345	1,019
80245	0.75	1,655	1,345	1,019
80246	0.75	1,655	1,345	1,019
80247	0.75	1,655	1,345	1,019
80248	0.75	1,655	1,345	1,019
80249	0.75	1,655	1,345	1,019
80250	0.75	1,655	1,345	1,019
80251	0.75	1,655	1,345	1,019
80252	0.75	1,655	1,345	1,019
80253	0.75	1,655	1,345	1,019
80254	0.75	1,655	1,345	1,019
80255	0.75	1,655	1,345	1,019
80256	0.75	1,655	1,345	1,019
80257	1.00	2,206	1,793	1,359
80258	0.75	1,655	1,345	1,019
80259	0.75	1,655	1,345	1,019
80260	0.75	1,655	1,345	1,019
80261	0.75	1,655	1,345	1,019
80262	0.75	1,655	1,345	1,019
80263	0.60	1,324	1,076	816
80264	0.75	1,655	1,345	1,019
80265	0.75	1,655	1,345	1,019
80266	0.70	1,544	1,255	952
80267	1.10	2,427	1,972	1,495
80268	0.75	1,655	1,345	1,019
80269	0.75	1,655	1,345	1,019

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Physicians, Surgeons and Dentists
State of Illinois
First year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 1c

Class	Class Relativity	-----Territory-----		
		01	02	03
80270	1.28	2,824	2,295	1,740
80271	1.28	2,824	2,295	1,740
80272	1.28	2,824	2,295	1,740
80274	1.28	2,824	2,295	1,740
80276	1.28	2,824	2,295	1,740
80277	1.28	2,824	2,295	1,740
80278	1.28	2,824	2,295	1,740
80279	1.28	2,824	2,295	1,740
80280	1.28	2,824	2,295	1,740
80281	1.28	2,824	2,295	1,740
80282	1.28	2,824	2,295	1,740
80283	1.28	2,824	2,295	1,740
80284	1.70	3,751	3,048	2,311
80285	1.28	2,824	2,295	1,740
80286	1.28	2,824	2,295	1,740
80287	1.28	2,824	2,295	1,740
80288	1.28	2,824	2,295	1,740
80289	1.02	2,251	1,829	1,386
80290	1.28	2,824	2,295	1,740
80291	1.28	2,824	2,295	1,740
80292	1.19	2,626	2,133	1,618
80293	1.87	4,126	3,352	2,542
80294	1.28	2,824	2,295	1,740
80420	1.00	2,206	1,793	1,359
80421	1.95	4,302	3,496	2,651
80422	2.74	6,046	4,912	3,724
80423	1.47	3,243	2,635	1,998
80425	2.74	6,046	4,912	3,724
80428	2.74	6,046	4,912	3,724
80431	2.74	6,046	4,912	3,724
80434	2.74	6,046	4,912	3,724
80437	2.74	6,046	4,912	3,724
80440	1.56	3,442	2,797	2,121
80443	1.56	3,442	2,797	2,121
80446	1.56	3,442	2,797	2,121
80449	1.56	3,442	2,797	2,121
80452	2.70	5,957	4,840	3,670
84801	0.25	552	448	340
84802	1.00	2,206	1,793	1,359

Physicians, Surgeons and Dentists
State of Illinois
Second year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 2a

Class	Class Relativity	-----Territory-----		
		01	02	03
80101	2.74	12,091	9,824	7,449
80102	2.74	12,091	9,824	7,449
80103	2.74	12,091	9,824	7,449
80104	2.74	12,091	9,824	7,449
80105	2.74	12,091	9,824	7,449
80106	3.02	13,327	10,828	8,210
80107	2.74	12,091	9,824	7,449
80108	2.74	12,091	9,824	7,449
80114	1.50	6,619	5,378	4,078
80115	2.29	10,105	8,211	6,226
80116	0.46	2,030	1,649	1,251
80116	0.46	2,030	1,649	1,251
80117	2.74	12,091	9,824	7,449
80141	4.58	20,211	16,421	12,451
80143	4.58	20,211	16,421	12,451
80144	6.40	28,242	22,947	17,399
80145	3.02	13,327	10,828	8,210
80146	7.32	32,302	26,245	19,900
80150	7.32	32,302	26,245	19,900
80151	3.20	14,121	11,473	8,700
80152	7.50	33,096	26,891	20,390
80153	7.50	33,096	26,891	20,390
80154	7.04	31,066	25,241	19,139
80155	4.58	20,211	16,421	12,451
80156	5.94	26,212	21,297	16,148
80157	4.58	20,211	16,421	12,451
80158	3.02	13,327	10,828	8,210
80159	3.02	13,327	10,828	8,210
80160	3.02	13,327	10,828	8,210
80162	0.28	1,236	1,004	761
80165	0.69	3,045	2,474	1,876
80166	4.58	20,211	16,421	12,451
80167	5.49	24,226	19,684	14,925
80168	7.50	33,096	26,891	20,390
80169	5.49	24,226	19,684	14,925
80170	5.49	24,226	19,684	14,925
80171	7.32	32,302	26,245	19,900

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Physicians, Surgeons and Dentists
 State of Illinois
 Second year claims made rates
 by Class and Territory

Section 9
 Exhibit 2
 Sheet 2b

Class	Class Relativity	-----Territory-----		
		01	02	03
80230	0.75	3,310	2,689	2,039
80231	0.75	3,310	2,689	2,039
80232	0.75	3,310	2,689	2,039
80233	0.75	3,310	2,689	2,039
80234	0.75	3,310	2,689	2,039
80235	0.75	3,310	2,689	2,039
80236	0.75	3,310	2,689	2,039
80237	0.75	3,310	2,689	2,039
80238	0.75	3,310	2,689	2,039
80240	0.75	3,310	2,689	2,039
80241	0.75	3,310	2,689	2,039
80243	0.75	3,310	2,689	2,039
80244	0.75	3,310	2,689	2,039
80245	0.75	3,310	2,689	2,039
80246	0.75	3,310	2,689	2,039
80247	0.75	3,310	2,689	2,039
80248	0.75	3,310	2,689	2,039
80249	0.75	3,310	2,689	2,039
80250	0.75	3,310	2,689	2,039
80251	0.75	3,310	2,689	2,039
80252	0.75	3,310	2,689	2,039
80253	0.75	3,310	2,689	2,039
80254	0.75	3,310	2,689	2,039
80255	0.75	3,310	2,689	2,039
80256	0.75	3,310	2,689	2,039
80257	1.00	4,413	3,585	2,719
80258	0.75	3,310	2,689	2,039
80259	0.75	3,310	2,689	2,039
80260	0.75	3,310	2,689	2,039
80261	0.75	3,310	2,689	2,039
80262	0.75	3,310	2,689	2,039
80263	0.60	2,648	2,151	1,631
80264	0.75	3,310	2,689	2,039
80265	0.75	3,310	2,689	2,039
80266	0.70	3,089	2,510	1,903
80267	1.10	4,854	3,944	2,990
80268	0.75	3,310	2,689	2,039
80269	0.75	3,310	2,689	2,039

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Physicians, Surgeons and Dentists
 State of Illinois
 Second year claims made rates
 by Class and Territory

Section 9
 Exhibit 2
 Sheet 2c

Class	Class Relativity	-----Territory-----		
		01	02	03
80270	1.28	5,648	4,589	3,480
80271	1.28	5,648	4,589	3,480
80272	1.28	5,648	4,589	3,480
80274	1.28	5,648	4,589	3,480
80276	1.28	5,648	4,589	3,480
80277	1.28	5,648	4,589	3,480
80278	1.28	5,648	4,589	3,480
80279	1.28	5,648	4,589	3,480
80280	1.28	5,648	4,589	3,480
80281	1.28	5,648	4,589	3,480
80282	1.28	5,648	4,589	3,480
80283	1.28	5,648	4,589	3,480
80284	1.70	7,502	6,095	4,622
80285	1.28	5,648	4,589	3,480
80286	1.28	5,648	4,589	3,480
80287	1.28	5,648	4,589	3,480
80288	1.28	5,648	4,589	3,480
80289	1.02	4,501	3,657	2,773
80290	1.28	5,648	4,589	3,480
80291	1.28	5,648	4,589	3,480
80292	1.19	5,251	4,267	3,235
80293	1.87	8,252	6,705	5,084
80294	1.28	5,648	4,589	3,480
80420	1.00	4,413	3,585	2,719
80421	1.95	8,605	6,992	5,301
80422	2.74	12,091	9,824	7,449
80423	1.47	6,487	5,271	3,996
80425	2.74	12,091	9,824	7,449
80428	2.74	12,091	9,824	7,449
80431	2.74	12,091	9,824	7,449
80434	2.74	12,091	9,824	7,449
80437	2.74	12,091	9,824	7,449
80440	1.56	6,884	5,593	4,241
80443	1.56	6,884	5,593	4,241
80446	1.56	6,884	5,593	4,241
80449	1.56	6,884	5,593	4,241
80452	2.70	11,915	9,681	7,340
84801	0.25	1,103	896	680
84802	1.00	4,413	3,585	2,719

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Physicians, Surgeons and Dentists
State of Illinois
Third year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 3a

Class	Class Relativity	-----Territory-----		
		01	02	03
80101	2.74	16,522	13,424	10,179
80102	2.74	16,522	13,424	10,179
80103	2.74	16,522	13,424	10,179
80104	2.74	16,522	13,424	10,179
80105	2.74	16,522	13,424	10,179
80106	3.02	18,211	14,796	11,219
80107	2.74	16,522	13,424	10,179
80108	2.74	16,522	13,424	10,179
80114	1.50	9,045	7,349	5,572
80115	2.29	13,809	11,220	8,507
80116	0.46	2,774	2,254	1,709
80116	0.46	2,774	2,254	1,709
80117	2.74	16,522	13,424	10,179
80141	4.58	27,618	22,439	17,015
80143	4.58	27,618	22,439	17,015
80144	6.40	38,593	31,356	23,776
80145	3.02	18,211	14,796	11,219
80146	7.32	44,140	35,864	27,194
80150	7.32	44,140	35,864	27,194
80151	3.20	19,296	15,678	11,888
80152	7.50	45,226	36,746	27,862
80153	7.50	45,226	36,746	27,862
80154	7.04	42,452	34,492	26,153
80155	4.58	27,618	22,439	17,015
80156	5.94	35,819	29,103	22,067
80157	4.58	27,618	22,439	17,015
80158	3.02	18,211	14,796	11,219
80159	3.02	18,211	14,796	11,219
80160	3.02	18,211	14,796	11,219
80162	0.28	1,688	1,372	1,040
80165	0.69	4,161	3,381	2,563
80166	4.58	27,618	22,439	17,015
80167	5.49	33,105	26,898	20,395
80168	7.50	45,226	36,746	27,862
80169	5.49	33,105	26,898	20,395
80170	5.49	33,105	26,898	20,395
80171	7.32	44,140	35,864	27,194

Physicians, Surgeons and Dentists
State of Illinois
Third year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 3b

Class	Class Relativity	-----Territory-----		
		01	02	03
-----	-----	---	---	---
80230	0.75	4,523	3,675	2,786
80231	0.75	4,523	3,675	2,786
80232	0.75	4,523	3,675	2,786
80233	0.75	4,523	3,675	2,786
80234	0.75	4,523	3,675	2,786
80235	0.75	4,523	3,675	2,786
80236	0.75	4,523	3,675	2,786
80237	0.75	4,523	3,675	2,786
80238	0.75	4,523	3,675	2,786
80240	0.75	4,523	3,675	2,786
80241	0.75	4,523	3,675	2,786
80243	0.75	4,523	3,675	2,786
80244	0.75	4,523	3,675	2,786
80245	0.75	4,523	3,675	2,786
80246	0.75	4,523	3,675	2,786
80247	0.75	4,523	3,675	2,786
80248	0.75	4,523	3,675	2,786
80249	0.75	4,523	3,675	2,786
80250	0.75	4,523	3,675	2,786
80251	0.75	4,523	3,675	2,786
80252	0.75	4,523	3,675	2,786
80253	0.75	4,523	3,675	2,786
80254	0.75	4,523	3,675	2,786
80255	0.75	4,523	3,675	2,786
80256	0.75	4,523	3,675	2,786
80257	1.00	6,030	4,899	3,715
80258	0.75	4,523	3,675	2,786
80259	0.75	4,523	3,675	2,786
80260	0.75	4,523	3,675	2,786
80261	0.75	4,523	3,675	2,786
80262	0.75	4,523	3,675	2,786
80263	0.60	3,618	2,940	2,229
80264	0.75	4,523	3,675	2,786
80265	0.75	4,523	3,675	2,786
80266	0.70	4,221	3,430	2,600
80267	1.10	6,633	5,389	4,086
80268	0.75	4,523	3,675	2,786
80269	0.75	4,523	3,675	2,786

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Physicians, Surgeons and Dentists
 State of Illinois
 Third year claims made rates
 by Class and Territory

Section 9
 Exhibit 2
 Sheet 3c

Class	Class Relativity	-----Territory-----		
		01	02	03
80270	1.28	7,719	6,271	4,755
80271	1.28	7,719	6,271	4,755
80272	1.28	7,719	6,271	4,755
80274	1.28	7,719	6,271	4,755
80276	1.28	7,719	6,271	4,755
80277	1.28	7,719	6,271	4,755
80278	1.28	7,719	6,271	4,755
80279	1.28	7,719	6,271	4,755
80280	1.28	7,719	6,271	4,755
80281	1.28	7,719	6,271	4,755
80282	1.28	7,719	6,271	4,755
80283	1.28	7,719	6,271	4,755
80284	1.70	10,251	8,329	6,315
80285	1.28	7,719	6,271	4,755
80286	1.28	7,719	6,271	4,755
80287	1.28	7,719	6,271	4,755
80288	1.28	7,719	6,271	4,755
80289	1.02	6,151	4,997	3,789
80290	1.28	7,719	6,271	4,755
80291	1.28	7,719	6,271	4,755
80292	1.19	7,176	5,830	4,421
80293	1.87	11,276	9,162	6,947
80294	1.28	7,719	6,271	4,755
80420	1.00	6,030	4,899	3,715
80421	1.95	11,759	9,554	7,244
80422	2.74	16,522	13,424	10,179
80423	1.47	8,864	7,202	5,461
80425	2.74	16,522	13,424	10,179
80428	2.74	16,522	13,424	10,179
80431	2.74	16,522	13,424	10,179
80434	2.74	16,522	13,424	10,179
80437	2.74	16,522	13,424	10,179
80440	1.56	9,407	7,643	5,795
80443	1.56	9,407	7,643	5,795
80446	1.56	9,407	7,643	5,795
80449	1.56	9,407	7,643	5,795
80452	2.70	16,281	13,228	10,030
84801	0.25	1,508	1,225	929
84802	1.00	6,030	4,899	3,715

Physicians, Surgeons and Dentists
 State of Illinois
 Fourth year claims made rates
 by Class and Territory

Section 9
 Exhibit 2
 Sheet 4a

Class	Class Relativity	-----Territory-----		
		01	02	03
80101	2.74	18,539	15,063	11,421
80102	2.74	18,539	15,063	11,421
80103	2.74	18,539	15,063	11,421
80104	2.74	18,539	15,063	11,421
80105	2.74	18,539	15,063	11,421
80106	3.02	20,433	16,602	12,588
80107	2.74	18,539	15,063	11,421
80108	2.74	18,539	15,063	11,421
80114	1.50	10,149	8,246	6,252
80115	2.29	15,494	12,589	9,545
80116	0.46	3,112	2,529	1,917
80116	0.46	3,112	2,529	1,917
80117	2.74	18,539	15,063	11,421
80141	4.58	30,988	25,178	19,091
80143	4.58	30,988	25,178	19,091
80144	6.40	43,302	35,183	26,677
80145	3.02	20,433	16,602	12,588
80146	7.32	49,527	40,240	30,512
80150	7.32	49,527	40,240	30,512
80151	3.20	21,651	17,591	13,339
80152	7.50	50,744	41,230	31,262
80153	7.50	50,744	41,230	31,262
80154	7.04	47,632	38,701	29,345
80155	4.58	30,988	25,178	19,091
80156	5.94	40,190	32,654	24,760
80157	4.58	30,988	25,178	19,091
80158	3.02	20,433	16,602	12,588
80159	3.02	20,433	16,602	12,588
80160	3.02	20,433	16,602	12,588
80162	0.28	1,894	1,539	1,167
80165	0.69	4,668	3,793	2,876
80166	4.58	30,988	25,178	19,091
80167	5.49	37,145	30,180	22,884
80168	7.50	50,744	41,230	31,262
80169	5.49	37,145	30,180	22,884
80170	5.49	37,145	30,180	22,884
80171	7.32	49,527	40,240	30,512

Physicians, Surgeons and Dentists
State of Illinois
Fourth year claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 4b

Class	Class Relativity	-----Territory-----		
		01	02	03
-----	-----	---	---	---
80230	0.75	5,074	4,123	3,126
80231	0.75	5,074	4,123	3,126
80232	0.75	5,074	4,123	3,126
80233	0.75	5,074	4,123	3,126
80234	0.75	5,074	4,123	3,126
80235	0.75	5,074	4,123	3,126
80236	0.75	5,074	4,123	3,126
80237	0.75	5,074	4,123	3,126
80238	0.75	5,074	4,123	3,126
80240	0.75	5,074	4,123	3,126
80241	0.75	5,074	4,123	3,126
80243	0.75	5,074	4,123	3,126
80244	0.75	5,074	4,123	3,126
80245	0.75	5,074	4,123	3,126
80246	0.75	5,074	4,123	3,126
80247	0.75	5,074	4,123	3,126
80248	0.75	5,074	4,123	3,126
80249	0.75	5,074	4,123	3,126
80250	0.75	5,074	4,123	3,126
80251	0.75	5,074	4,123	3,126
80252	0.75	5,074	4,123	3,126
80253	0.75	5,074	4,123	3,126
80254	0.75	5,074	4,123	3,126
80255	0.75	5,074	4,123	3,126
80256	0.75	5,074	4,123	3,126
80257	1.00	6,766	5,497	4,168
80258	0.75	5,074	4,123	3,126
80259	0.75	5,074	4,123	3,126
80260	0.75	5,074	4,123	3,126
80261	0.75	5,074	4,123	3,126
80262	0.75	5,074	4,123	3,126
80263	0.60	4,060	3,298	2,501
80264	0.75	5,074	4,123	3,126
80265	0.75	5,074	4,123	3,126
80266	0.70	4,736	3,848	2,918
80267	1.10	7,443	6,047	4,585
80268	0.75	5,074	4,123	3,126
80269	0.75	5,074	4,123	3,126

Physicians, Surgeons and Dentists
 State of Illinois
 Fourth year claims made rates
 by Class and Territory

Section 9
 Exhibit 2
 Sheet 4c

Class	Class Relativity	-----Territory-----		
		01	02	03
80270	1.28	8,660	7,037	5,335
80271	1.28	8,660	7,037	5,335
80272	1.28	8,660	7,037	5,335
80274	1.28	8,660	7,037	5,335
80276	1.28	8,660	7,037	5,335
80277	1.28	8,660	7,037	5,335
80278	1.28	8,660	7,037	5,335
80279	1.28	8,660	7,037	5,335
80280	1.28	8,660	7,037	5,335
80281	1.28	8,660	7,037	5,335
80282	1.28	8,660	7,037	5,335
80283	1.28	8,660	7,037	5,335
80284	1.70	11,502	9,345	7,086
80285	1.28	8,660	7,037	5,335
80286	1.28	8,660	7,037	5,335
80287	1.28	8,660	7,037	5,335
80288	1.28	8,660	7,037	5,335
80289	1.02	6,901	5,607	4,252
80290	1.28	8,660	7,037	5,335
80291	1.28	8,660	7,037	5,335
80292	1.19	8,051	6,542	4,960
80293	1.87	12,652	10,280	7,795
80294	1.28	8,660	7,037	5,335
80420	1.00	6,766	5,497	4,168
80421	1.95	13,194	10,720	8,128
80422	2.74	18,539	15,063	11,421
80423	1.47	9,946	8,081	6,127
80425	2.74	18,539	15,063	11,421
80428	2.74	18,539	15,063	11,421
80431	2.74	18,539	15,063	11,421
80434	2.74	18,539	15,063	11,421
80437	2.74	18,539	15,063	11,421
80440	1.56	10,555	8,576	6,503
80443	1.56	10,555	8,576	6,503
80446	1.56	10,555	8,576	6,503
80449	1.56	10,555	8,576	6,503
80452	2.70	18,268	14,843	11,254
84801	0.25	1,691	1,374	1,042
84802	1.00	6,766	5,497	4,168

Physicians, Surgeons and Dentists
State of Illinois
Mature claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 5a

Class	Class Relativity	-----Territory-----		
		01	02	03
80101	2.74	20,150	16,372	12,414
80102	2.74	20,150	16,372	12,414
80103	2.74	20,150	16,372	12,414
80104	2.74	20,150	16,372	12,414
80105	2.74	20,150	16,372	12,414
80106	3.02	22,209	18,045	13,682
80107	2.74	20,150	16,372	12,414
80108	2.74	20,150	16,372	12,414
80114	1.50	11,031	8,963	6,796
80115	2.29	16,840	13,683	10,375
80116	0.46	3,383	2,749	2,084
80116	0.46	3,383	2,749	2,084
80117	2.74	20,150	16,372	12,414
80141	4.58	33,681	27,366	20,750
80143	4.58	33,681	27,366	20,750
80144	6.40	47,065	38,240	28,995
80145	3.02	22,209	18,045	13,682
80146	7.32	53,831	43,737	33,164
80150	7.32	53,831	43,737	33,164
80151	3.20	23,533	19,120	14,498
80152	7.50	55,154	44,813	33,979
80153	7.50	55,154	44,813	33,979
80154	7.04	51,772	42,064	31,895
80155	4.58	33,681	27,366	20,750
80156	5.94	43,682	35,492	26,911
80157	4.58	33,681	27,366	20,750
80158	3.02	22,209	18,045	13,682
80159	3.02	22,209	18,045	13,682
80160	3.02	22,209	18,045	13,682
80162	0.28	2,059	1,673	1,269
80165	0.69	5,074	4,123	3,126
80166	4.58	33,681	27,366	20,750
80167	5.49	40,373	32,803	24,873
80168	7.50	55,154	44,813	33,979
80169	5.49	40,373	32,803	24,873
80170	5.49	40,373	32,803	24,873
80171	7.32	53,831	43,737	33,164

Physicians, Surgeons and Dentists
State of Illinois
Mature claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 5b

Class	Class Relativity	-----Territory-----		
		01	02	03
80230	0.75	5,515	4,481	3,398
80231	0.75	5,515	4,481	3,398
80232	0.75	5,515	4,481	3,398
80233	0.75	5,515	4,481	3,398
80234	0.75	5,515	4,481	3,398
80235	0.75	5,515	4,481	3,398
80236	0.75	5,515	4,481	3,398
80237	0.75	5,515	4,481	3,398
80238	0.75	5,515	4,481	3,398
80240	0.75	5,515	4,481	3,398
80241	0.75	5,515	4,481	3,398
80243	0.75	5,515	4,481	3,398
80244	0.75	5,515	4,481	3,398
80245	0.75	5,515	4,481	3,398
80246	0.75	5,515	4,481	3,398
80247	0.75	5,515	4,481	3,398
80248	0.75	5,515	4,481	3,398
80249	0.75	5,515	4,481	3,398
80250	0.75	5,515	4,481	3,398
80251	0.75	5,515	4,481	3,398
80252	0.75	5,515	4,481	3,398
80253	0.75	5,515	4,481	3,398
80254	0.75	5,515	4,481	3,398
80255	0.75	5,515	4,481	3,398
80256	0.75	5,515	4,481	3,398
80257	1.00	7,354	5,975	4,531
80258	0.75	5,515	4,481	3,398
80259	0.75	5,515	4,481	3,398
80260	0.75	5,515	4,481	3,398
80261	0.75	5,515	4,481	3,398
80262	0.75	5,515	4,481	3,398
80263	0.60	4,412	3,585	2,718
80264	0.75	5,515	4,481	3,398
80265	0.75	5,515	4,481	3,398
80266	0.70	5,148	4,183	3,171
80267	1.10	8,089	6,573	4,984
80268	0.75	5,515	4,481	3,398
80269	0.75	5,515	4,481	3,398

Physicians, Surgeons and Dentists
State of Illinois
Mature claims made rates
by Class and Territory

Section 9
Exhibit 2
Sheet 5c

Class	Class Relativity	-----Territory-----		
		01	02	03
80270	1.28	9,413	7,648	5,799
80271	1.28	9,413	7,648	5,799
80272	1.28	9,413	7,648	5,799
80274	1.28	9,413	7,648	5,799
80276	1.28	9,413	7,648	5,799
80277	1.28	9,413	7,648	5,799
80278	1.28	9,413	7,648	5,799
80279	1.28	9,413	7,648	5,799
80280	1.28	9,413	7,648	5,799
80281	1.28	9,413	7,648	5,799
80282	1.28	9,413	7,648	5,799
80283	1.28	9,413	7,648	5,799
80284	1.70	12,502	10,158	7,702
80285	1.28	9,413	7,648	5,799
80286	1.28	9,413	7,648	5,799
80287	1.28	9,413	7,648	5,799
80288	1.28	9,413	7,648	5,799
80289	1.02	7,501	6,095	4,621
80290	1.28	9,413	7,648	5,799
80291	1.28	9,413	7,648	5,799
80292	1.19	8,751	7,110	5,391
80293	1.87	13,752	11,173	8,472
80294	1.28	9,413	7,648	5,799
80420	1.00	7,354	5,975	4,531
80421	1.95	14,340	11,651	8,835
80422	2.74	20,150	16,372	12,414
80423	1.47	10,810	8,783	6,660
80425	2.74	20,150	16,372	12,414
80428	2.74	20,150	16,372	12,414
80431	2.74	20,150	16,372	12,414
80434	2.74	20,150	16,372	12,414
80437	2.74	20,150	16,372	12,414
80440	1.56	11,472	9,321	7,068
80443	1.56	11,472	9,321	7,068
80446	1.56	11,472	9,321	7,068
80449	1.56	11,472	9,321	7,068
80452	2.70	19,856	16,133	12,232
84801	0.25	1,838	1,494	1,133
84802	1.00	7,354	5,975	4,531

IMPORTANT NOTICE
MISCELLANEOUS MEDICAL PROFESSIONAL LIABILITY MANUAL

Enclosed are corrected Miscellaneous Professional Liability rate pages reflecting revised rates for employed optometrists, physiotherapists and veterinarians classifications as well as partnership liability for these classifications. These pages replace the pages you received with the April 1, 1976 Revision.

This shipment contains only pages for which you are listed. If shipment does not arrive in good condition, if any pages are missing, or if envelope is not properly addressed, please advise the:

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OCT 30 1970

MISCELLANEOUS MEDICAL PROFESSIONAL LIABILITY MANUAL

**BLOOD BANKS
CHIROPODISTS
CHIROPRACTORS
EMPLOYEES
HEARING AID SERVICE ESTABLISHMENTS
MEDICAL OR X-RAY LABORATORIES
NURSES
OPTICIANS
OPTOMETRISTS
PHYSIOTHERAPISTS
VETERINARIANS**

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MISCELLANEOUS MEDICAL PROFESSIONAL LIABILITY MANUAL

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Pharmacists—employee	2
Physiotherapists—employee	2
Physiotherapists—proprietor	5
Veterinarians	5
X-ray laboratories	3
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MISCELLANEOUS MEDICAL PROFESSIONAL
STAT. LINE OF BUS. CODE 57

BLOOD BANKS—PROFESSIONAL LIABILITY

Professional Liability insurance for blood banks is subject to the general rules in the Hospital Professional Liability manual and the exceptions hereinafter provided.

- Use Standard Endorsement NB-G1.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G1.

VII. Basis of Premium. Substitute the following:

The basis of premium is donations. Donations shall mean the total number of blood donations administered by the named insured during the policy period.

XI. Additional Interests. Substitute the following:

All additional interests shall be submitted for rating.

Classification	Code No.
Blood Banks	per donation 80992
Minimum Premium—per location or mobile unit:	
\$287.00	

CHIROPDISTS—PROFESSIONAL LIABILITY

Professional Liability insurance for chiropodists is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual, and the exceptions hereinafter provided.

Exceptions

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

Classification	Code No.
Chiropodists	per person 80993
Additional Charges:	
★ Employed Chiropodists	per person 80943
★ Partnership Liability	per chiropodist partner 80950

This classification applies to each insured chiropodist.

Chiropodists in Active United States Military Service

Chiropodists employed full time by the Federal Government

This is an N.O.C. classification.

CHIROPRACTORS—PROFESSIONAL LIABILITY

Professional Liability insurance for chiropractors is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual, and the exceptions hereinafter provided.

Exceptions

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

Classification	Code No.
Chiropractors	per person 80410
Additional Charges:	
Employed Chiropractors	per person 80411 ★
Partnership Liability	per chiropractor partner 80412 ★

This classification applies to each insured chiropractor.

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EMPLOYEES—PROFESSIONAL LIABILITY

Professional Liability insurance for employees applies only to employed dental hygienists, medical laboratory or X-ray technicians, opticians, pharmacists or physiotherapists. It is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual, except that all references to partnership liability shall not apply. The following additional exceptions apply to this coverage.

Use Standard Endorsement NB-G8.

Exceptions

II. Scope of Coverage. For details of coverage and exclusions refer to Standard Endorsement NB-G8.

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

X. Partnership Liability.

This rule does not apply.

XI. Policy Writing Minimum Premium.

The lowest amount for which a policy may be written is \$25.00 per annum. This amount is not subject to adjustment for increased limits. The actual premium for coverage provided by the policy, whether Employees—Professional Liability or other forms of general liability insurance, shall be used in determining the application of this minimum.

Classification		Code No.
Dental Hygienists	per person	80210
Medical Laboratory Technicians	per person	80711
Opticians	per person	80937
Pharmacists	per person	59112
Physiotherapists	per person	80938
X-ray Technicians	per person	80713

Additional Charge:

X-ray Therapy per person 80714

This additional charge applies to each X-ray technician doing X-ray therapy work.

HEARING AID SERVICE ESTABLISHMENTS— PROFESSIONAL LIABILITY

Professional Liability insurance for hearing aid establishments is subject to the general rules in the Druggists Liability manual and the exceptions hereinafter provided.

Use Standard Endorsement NB-G2.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G2.

IV. Definitions. Substitute the following for the definition of "insured retail drug store":

A. Insured Hearing Aid Service Establishment means (1) the hearing aid service establishment insured, (2) any hearing aid service establishment which the named insured has discontinued using and (3) any premises which the named insured acquires during the policy period for use as a hearing aid service establishment if (i) the named insured notifies the company within 30 days after such acquisition and (ii) the named insured has no other valid and collectible insurance applicable to the loss.

V. Limits of Liability. In subdivision A. substitute "hearing aid service establishment" for "retail drug store".

VII. Basis of Premium. Substitute the following for the definition of receipts.

Receipts. Receipts shall mean the gross amount of money charged by the insured or by others trading under his name for operations and services during the policy period, and for all goods and products sold, rented or distributed during the policy period and includes taxes, except that taxes which the insured and such others collect as a separate item and remit directly to a governmental division shall be excluded provided accurate records of such taxes are maintained apart from other receipts.

The unit of exposure to which the rates are applied is each \$1,000 of receipts.

VIII. Rates. In subdivision A. substitute "Hearing Aid Service Establishment" for "Druggists".

IX. Minimum Premiums. In subdivision E. substitute "Hearing Aid Service Establishment" for "Druggists".

XI. Additional Interests. In subdivision B.1. substitute "hearing aid service establishments" for "drug stores".

Classification	Code No.
Hearing Aid Service Establishments—retail receipts	59981
Minimum Premium—per retail establishment:	\$50.00

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**MEDICAL OR X-RAY LABORATORIES—
PROFESSIONAL LIABILITY**

Professional Liability insurance for medical or X-ray laboratories is subject to the general rules in the Hospital Professional Liability manual and the exceptions hereinafter provided.

These rules apply to all medical or X-ray laboratories operated by a corporate interest, or by persons who are not physicians.

These rules do not apply to:

- (a) laboratories operated at or away from hospitals by physician-pathologists or physician-radiologists. Such risks shall be classified and rated as "Physicians" or "Surgeons" in accordance with the Physicians, Surgeons and Dentists Professional Liability manual;
- (b) laboratories operated by physicians or surgeons in connection with the treatment of their own patients. Such risks shall be classified and rated as "Physicians" or "Surgeons" in accordance with the Physicians, Surgeons and Dentists Professional Liability manual;
- (c) medical or X-ray laboratories operated by osteopaths.

Use Standard Endorsement NB-G3.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G3.

VII. Basis of Premium. Substitute the following:

The basis of premium is receipts. Receipts shall mean the gross amount of money charged by the named insured for operations and services during the policy period, and for all therapeutic agents sold, rented or distributed during the policy period and includes taxes, except that taxes which the named insured collects as a separate item and remits directly to a governmental division shall be excluded provided accurate records of such taxes are maintained apart from other receipts.

The unit of exposure to which the rates are applied is each \$1,000 of receipts.

XI. Additional Interests. Substitute the following:

All additional interests shall be submitted for rating.

Classification

**Code
No.**

Medical or X-ray Laboratories receipts **80715**
Minimum Premium—per location: \$144.00

NURSES—PROFESSIONAL LIABILITY

Professional Liability insurance for nurses is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual, except that all references to partnership liability shall not apply. The following additional exceptions apply to this coverage.

Use Standard Endorsement NB-G4.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G4.

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

X. Partnership Liability.

This rule does not apply.

XI. Policy Writing Minimum Premium.

The lowest amount for which a policy may be written is \$25.00 per annum. This amount is not subject to adjustment for increased limits. The actual premium for coverage provided by the policy, whether Nurses—Professional Liability or other forms of general liability insurance, shall be used in determining the application of this minimum.

Classifications

**Code
No.**

Nurses per person **80998**
Additional Charges:

Anesthetists per person **80960**

This additional charge applies to each nurse who specializes in administering anesthetics.

X-ray Therapy per person **80714**

This additional charge applies to each nurse doing X-ray therapy work.

This classification applies to registered or practical nurses.

OPTICIANS—PROFESSIONAL LIABILITY

(Applicable to Proprietors of Retail Optical Establishments)

Professional Liability insurance for opticians is subject to the general rules in the Druggists Liability manual and the exceptions hereinafter provided.

Use Standard Endorsement NB-G5.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G5.

IV. Definitions. Substitute the following for the definition of "insured retail drug store":

- A. **Insured Optical Establishment** means (1) the optical establishment insured, (2) any optical establishment which the named insured has discontinued using and (3) any premises which the named insured acquires during the policy period for use as a retail drug store if (i) the named insured notifies the company within 30 days after such acquisition and (ii) the named insured has no other valid and collectible insurance applicable to the loss.

VII. Basis of Premium. Substitute the following for the definition of receipts:

Receipts. Receipts shall mean the gross amount of money charged by the insured or by others trading under his name for operations and services during the policy period, and for all goods and products sold, rented or distributed during the policy period and includes taxes, except that taxes which the insured and such others collect as a separate item and remit directly to a governmental division shall be excluded provided accurate records of such taxes are maintained apart from other receipts.

The unit of exposure to which the rates are applied is each \$1,000 of receipts.

Classification	Code No.
Optical Establishments—retail	59951
Minimum Premium—per retail establishment:	
\$50.00	

OPTOMETRISTS—PROFESSIONAL LIABILITY

Professional Liability insurance for optometrists is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual and the exceptions hereinafter provided.

The practice of optometry is deemed to include the production or reproduction of ophthalmic lenses and kindred products, including mounting the same to supporting materials and fitting the same to the eyes.

Optometrists operating stores selling a variety of optical products such as cameras, binoculars, barometers, thermometers, microscopes, etc., or who grind lenses for others shall be classified and rated in accordance with the Optician's section of this manual.

Use Standard Endorsement NB-G6.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G6.

Exceptions

IV. Definitions.

- B. Replace the definition of medical incident with the following definition of optometric incident:

Optometric incident means any act or omission in the furnishing of professional optometric services:

- (a) under individual professional liability—by the insured, an employee of the insured or any person acting under the personal direction, control, or supervision of the insured.
- (b) under Partnership, Association or Corporation Professional Liability—by (1) any member, partner, officer, director, stockholder or employee of the insured, or (2) any person acting under the personal direction, control or supervision of any person described in (1) above.

Any such act or omission together with all related acts of omissions in the furnishing of such services to any one person shall be considered one optometric incident.

V. Limits of Liability.

- A. Manual rates and minimum premiums provide for a basic limit of \$25,000 for all optometric incidents on account of each claim or suit and, subject to the foregoing limit of \$75,000 for all optometric incidents. The foregoing limits apply separately to individual professional liability and partnership, association and corporation professional liability.
- B. Increased limits of liability may be provided by applying the appropriate factors for the limits stated in the Increased Limits Table of the Druggists Liability manual. Replace "per medical incident" with "per optometric incident" in the Increased Limits Table.
- C. Deductible Liability Insurance. Deductible liability insurance is a method of coverage under which the insured agrees to contribute up to a specified sum per optometric incident towards the amount paid to claimants as damages. Risks to be written on this basis shall be submitted for rating. Code No. 89990 applies for statistical purposes to all coverage written in accordance with this rule.

XI. Policy Writing Minimum Premium.

The lowest amount for which a policy may be written is \$25.00 per annum. This amount is not subject to adjustment for increased limits. The actual premium for coverage provided by the policy, whether optometrists—Professional Liability or other forms of general Liability insurance, shall be used in determining the application of this minimum.

Classifications	Code No.
Optometrists	80994
Additional Charges:	
Employed Optometrists	80944
Partnership Liability	80956

This Classification applies to each insured optometrist.

It does not apply to optometrists who operate stores selling a variety of optical products such as cameras, binoculars, barometers, thermometers, microscopes, etc., or who grind lenses for others. Such risks shall be classified and rated in accordance with the Optician's section of this manual.

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PHYSIOTHERAPISTS—PROFESSIONAL LIABILITY

Professional Liability insurance for physiotherapists is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual, and the exceptions hereinafter provided.

Exceptions

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

Classification	Code No.
Physiotherapists .....per person	80995
Additional Charges:	
Employed Physiotherapist .....per person	80945
Partnership Liability ..per physiotherapist partner	80955
This classification applies to each insured proprietor physiotherapist. It does not apply to physiotherapists who are employees. Such physiotherapists shall be classified and rated in accordance with the Employees section of this manual.	
Physiotherapists in Active United States Military Service .....per person	80911
Physiotherapists employed full time by the Federal Government .....per person	80912

This is an N.O.C. classification.

VETERINARIANS—PROFESSIONAL LIABILITY

Professional Liability insurance for veterinarians is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual and the exceptions hereinafter provided.

Use Standard Endorsement NB-G9.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage refer to the Physicians, Surgeons and Dentists Professional Liability Coverage Part. As respects exclusions, refer to Standard Endorsement NB-G9.

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

Classification	Code No.
Veterinarians .....per person	07226 ★
This is an N.O.C. classification.	
Additional Charges:	
Employed Veterinarians .....per person	07221
Partnership Liability .....per veterinarian partner	07222
This classification applies to each insured veterinarian.	
Veterinarians—household pets .....per person	07225 ★

The additional charges under the "Veterinarians" classification, code 07226, apply to this classification.

NURSES—PROFESSIONAL LIABILITY

Professional Liability insurance for nurses is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual, except that all references to partnership liability shall not apply. The following additional exceptions apply to this coverage.

Use Standard Endorsement NB-G4.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G4.

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

VII. Rates and Premium Calculation

F. Calculation of premium—three year policies. Substitute the following:

If paid in advance, the premium for three year policies shall be the total of three annual premiums based on the rates in effect at the inception of the policy and computed in the foregoing manner. If not paid in advance, the premium shall be determined on the basis of the rates in effect at the inception of each year of the policy and computed in the foregoing manner.

X. Partnership Liability.

This rule does not apply.

XI. Policy Writing Minimum Premium.

The lowest amount for which a policy may be written is \$25.00 per annum. This amount is not subject to adjustment for increased limits. The actual premium for coverage provided by the policy, whether Nurses—Professional Liability or other forms of general liability insurance, shall be used in determining the application of this minimum.

Classification		Code No.
Nurses	.....per person	80998
Additional Charges:		
Anesthetists	.....per person	80913
This additional charge applies to each nurse who specializes in administering anesthetics.		
X-ray Therapy	.....per person	80913
This additional charge applies to each nurse doing X-ray therapy work.		

This classification applies to registered or practical nurses.

Rates	
Code No.	Rate ★
80998	\$ 14.00
80913	100.00

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OPTICIANS—PROFESSIONAL LIABILITY

(Applicable to Proprietors of Retail Optical Establishments)

Professional Liability insurance for opticians is subject to the general rules in the Druggists Liability manual and the exceptions hereinafter provided.

Use Standard Endorsement NB-G5.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G5.

IV. Definitions. Substitute the following for the definition of "insured retail drug store":

- A. **Insured Optical Establishment** means (1) the optical establishment insured, (2) any optical establishment which the named insured has discontinued using and (3) any premises which the named insured acquires during the policy period for use as a retail drug store if (i) the named insured notifies the company within 30 days after such acquisition and (ii) the named insured has no other valid and collectible insurance applicable to the loss.

VII. Basis of Premium. Substitute the following for the definition of receipts:

Receipts. Receipts shall mean the gross amount of money charged by the insured or by others trading under his name for operations and services during the policy period, and for all goods and products sold, rented or distributed during the policy period and includes taxes, except that taxes which the insured and such others collect as a separate item and remit directly to a governmental division shall be excluded provided accurate records of such taxes are maintained apart from other receipts.

The unit of exposure to which the rates are applied is each \$1,000 of receipts.

Code No.	Classification	Rate	★
59951	Optical Establishments—retail receipts	.34	★
	Minimum Premium —per retail establishment: \$50.00		★

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OPTOMETRISTS—PROFESSIONAL LIABILITY

Professional Liability insurance for optometrists is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual and the exceptions hereinafter provided.

The practice of optometry is deemed to include the production or reproduction of ophthalmic lenses and kindred products, including mounting the same to supporting materials and fitting the same to the eyes.

Optometrists operating stores selling a variety of optical products such as cameras, binoculars, barometers, thermometers, microscopes, etc., or who grind lenses for others shall be classified and rated in accordance with the Opticians section of this manual.

Use Standard Endorsement NB-G6.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage and exclusions refer to Standard Endorsement NB-G6.

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factors for the limits stated in the Increased Limits Table of the Druggists Liability Manual.

VII. Rates and Premium Calculation.

F. Calculation of premium—three year policies. Substitute the following:

If paid in advance, the premium for three year policies shall be the total of three annual premiums based on the rates in effect at the inception of the policy and computed in the foregoing manner. If not paid in advance, the premium shall be deter-

mined on the basis of the rates in effect at the inception of each year of the policy and computed in the foregoing manner.

XI. Policy Writing Minimum Premium.

The lowest amount for which a policy may be written is \$25.00 per annum. This amount is not subject to adjustment for increased limits. The actual premium for coverage provided by the policy, whether Optometrists—Professional Liability or other forms of general liability insurance, shall be used in determining the application of this minimum.

Classification		Code No. ★
Optometrists	.....per person	80994
Additional Charges:		
Employed Optometrists	.....per person	80914
Partnership Liability	.....per optometrist partner	80918

This classification applies to each insured optometrist.

It does not apply to optometrists who operate stores selling a variety of optical products such as cameras, binoculars, barometers, thermometers, microscopes, etc., or who grind lenses for others. Such risks shall be classified and rated in accordance with the Optician's section of this manual.

Rates

Code No. ★	Rate
80994	\$14.00
80914	3.40
80918	2.70

PHYSIOTHERAPISTS

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PHYSIOTHERAPISTS—PROFESSIONAL LIABILITY

Professional Liability insurance for physiotherapists is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual, and the exceptions hereinafter provided.

Exceptions

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

Classification	Code No. ★
Physiotherapists .....per person	80995
Additional Charges:	
Employed Physiotherapist .....per person	80914
Partnership Liability ...per physiotherapist partner	80918

This classification applies to each insured proprietor physiotherapist. It does not apply to physiotherapists who are employees. Such physiotherapists shall be classified and rated in accordance with the Employees section of this manual.

Physiotherapists in Active United States Military Service .....per person	80911
Physiotherapists employed full time by the Federal Government .....per person	80912

This is an N.O.C. classification.

Rates

Code No. ★	Rate
80995	\$68.50
80914	17.00
80918	13.50
80911	34.00
80912	51.50

VETERINARIANS—PROFESSIONAL LIABILITY

Professional Liability insurance for veterinarians is subject to the general rules in the Physicians, Surgeons and Dentists Professional Liability manual and the exceptions hereinafter provided.

Use Standard Endorsement **NB-G9**.

Exceptions

II. Scope of Coverage. Substitute the following:

For details of coverage refer to the Physicians, Surgeons and Dentists Professional Liability Coverage Part. As respects exclusions, refer to Standard Endorsement **NB-G9**.

V. Limits of Liability.

Increased limits of liability may be provided by applying the appropriate factor for the limits stated in the increased limits table for Dentists in the Physicians, Surgeons and Dentists Liability manual.

Classification	Code No.
Veterinarians .....per person	07220
Additional Charges:	
Employed Veterinarians .....per person	80914
Partnership Liability .....per veterinarian partner	80918

This classification applies to each insured veterinarian.

Rates	
Code No.	Rate
07220	★\$65.00
80914	11.10
80918	8.60

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I. GENERAL INSTRUCTIONS

This manual contains the rules, classifications and rates governing the underwriting of Physicians, Surgeons and Dentists Professional Liability insurance.

This manual contains reference to Standard Provisions forms applicable to rules and classifications.

The rules, classifications and rates in this manual become effective as of the date indicated upon each page. When a change is made, a reprinted page containing the change and the effective date thereof will be distributed. The change will be specifically designated by a star (★) on the outer margin of the page.

Additional units of exposure, coverage for which is provided on or after the effective dates of any changes in this manual, either by endorsement of outstanding policies or by the issuance of separate policies, shall be written on the basis of the rates and rules in effect at the time the coverage is provided.

Exception—Such coverage, if provided on an outstanding Comprehensive Liability policy, shall be written on the basis of the rates and rules in effect at the time that policy was issued.

The following requirements must be observed in the preparation of policies for insurance covered by this manual:

- A. Appropriate wording identifying the classification or classifications applicable for each risk shall be stated in the policy, followed by the proper code number provided the policy contains a declarations page.
- B. Any language in classification phraseology or footnotes which affects the scope of a classification applicable or assigned to operations to be insured, shall be incorporated in the policy provided the policy contains a declarations page.
- C. For each classification there shall be inserted the proper premium either actual or adequately estimated as the case may be.

II. SCOPE OF COVERAGE

For details of coverage and exclusions refer to standard coverage part.

III. PERSONS INSURED

For persons insured, refer to standard coverage part.

IV. DEFINITIONS

A. General Definitions

For general definitions refer to the standard provisions jacket.

B. Additional Definitions

The following is an additional definition of a term used herein which is not included in the standard provisions jacket.

1. **D.O.** means doctor of osteopathy.
2. **M.D.** means medical doctor.
3. **Medical Incident** means any act or omission in the furnishing of professional medical or dental services:
 - (a) As respects—Individual Professional Liability—by the insured, an employee of the insured or any person acting under the personal direction, control or supervision of the insured.
 - (b) As respects—Partnership, Association or Corporation Professional Liability—by (1) any member, partner, officer, director, stockholder or employee of the insured, or (2) any person acting under the personal direction, control or supervision of any person described in (1) above.

Any such act or omission together with all related acts or omissions in the furnishing of such services to any one person shall be considered one medical incident.

4. **N.O.C.** This expression is an abbreviation of the words "not otherwise classified". No classification so qualified shall be applied in any

case where any other manual classification more accurately describes the enterprise or where the language of any manual classification so qualified prescribes other treatment.

5. **Teaching Physician or Surgeon** means one ★ who teaches on a full-time basis and has no private practice.

V. LIMITS OF LIABILITY

- A. Manual rates and minimum premiums provide for a basic limit of \$25,000 for all damages on account of each medical incident and, subject to the foregoing limit, a basic aggregate limit of \$75,000 for all damages. The foregoing limits apply separately to individual professional liability and partnership, association or corporation professional liability.

For individual professional liability the above limits apply separately to each individual insured. For partnership, association or corporation professional liability the inclusion of more than one insured shall not operate to increase the limits of liability.

- B. Increased limits of liability may be provided by applying the appropriate factors for the limits stated in the following table. For limits not stated, submit for rating.

When liability limits are increased on an outstanding policy, the additional premium therefor shall be the actual difference in premium charges or \$2.00, whichever is greater. When liability limits are reduced on such a policy at the request of the insured, no refund of premium shall be made unless the difference in premium amounts to \$2.00 or more.

Increased Limits Table

Limits (In thousands) per medical incident/ aggregate limit	Factors		
	Physicians	Surgeons	Dentists†
25/75	1.00	1.00	1.00
50/150	1.52	1.58	1.33
100/300	1.97	2.13	1.62

†The physicians increased limits table applies to the classifications applicable to dentists, engaged in oral surgery or operative dentistry on patients rendered unconscious through the administering of any anesthesia or analgesia.

- C. **Deductible Liability Insurance.** Deductible liability insurance is a method of coverage under which the insured agrees to contribute up to a specified sum per medical incident towards the amount paid to claimants as damages. Risks to be written on this basis shall be submitted for rating.

Code No. 89990 applies for statistical purposes to all coverage written in accordance with this rule.

VI. POLICY PERIODS

Policies may be written for any period up to and including one year.

VII. RATES AND PREMIUM CALCULATION

- A. **Rates** apply on an "each" basis and per annum and appear on the rate pages opposite the identifying code numbers of the classifications.
- B. **Additional charges.** The additional charges provided under the classifications in this manual measure the liability of the insured for the exposures covered by these additional charges. The additional charges must be obtained where the exposures exist except that for corporate and partnership liability, the additional charges shall be obtained only where coverage for such exposures is provided.
- C. **(a) Rated risks.** Every risk described by a classification for which the symbol (a) appears in lieu of a specific rate or minimum premium, shall be submitted for rating.
- D. **Rate calculations** for increased limits, additional interests, experience rating modifications and similar features shall be determined on an annual basis and shall be carried to two decimal places. If, in calculating the final rate, the third decimal is 5 or more, the second decimal is to be increased by 1; if the third decimal is less than 5, it is to be disregarded.

GENERAL RULES

- E. **Calculation of premium—one year policies.** The premium shall be determined on the basis of the units of exposure existing at policy inception.
- F. **Calculation of premium—short term policies.** The premium on policies written for a period of less than one year shall be computed on a short rate basis in the same manner as the premium on a policy written for a period of one year and cancelled by the insured. This rule is not applicable where short term coverage is written in order to secure a common policy date with other coverages or lines of insurance.
- G. **Whole dollar premium rule.** The premium for each exposure* shall be rounded to the nearest whole dollar; separately for each coverage provided by the policy.

A premium involving \$.50 or over shall be rounded to the next higher whole dollar.

This procedure shall apply to all interim premium adjustments, including endorsements, or cancellations at the request of the insured. In the case of cancellation by the company, the return premium may be carried to the next higher whole dollar.

*Note: The phrase "each exposure" as used herein shall mean exposure for which a separate premium is shown in the policy, endorsement, daily, or policy survey sheet or questionnaire.

VIII. CANCELLATIONS

- A. **By the Insuring Company.** The earned premium shall be determined on a pro rata basis by multiplying the number of units of exposure for the period the policy was in force by the applicable rates, but shall be not less than the pro rata amount of the minimum premium.
- B. **By the Insured.**
- One-Year Policies**
Apply the short rate percentage in the short rate cancellation table to the annual premium.
 - Policies With a Term Less Than One Year**
If policy has been in force for twelve months or less, use the cancellation procedure described in division 1. of this rule.

SHORT RATE CANCELLATION TABLE
For One-Year Policies

Days Policy In Force	Per Cent of One-Year Premium	Days Policy In Force	Per Cent of One-Year Premium	Days Policy In Force	Per Cent of One-Year Premium
1	5%	95-98	37%	219-223	69%
2	6	99-102	38	224-228	70
3-4	7	103-105	39	229-232	71
5-6	8	106-109	40	233-237	72
7-8	9	110-113	41	238-241	73
9-10	10	114-116	42	242-246	74
11-12	11	117-120	43	247-250	75
13-14	12	121-124	44	251-255	76
15-16	13	125-127	45	256-260	77
17-18	14	128-131	46	261-264	78
19-20	15	132-135	47	265-269	79
21-22	16	136-138	48	270-273	80
23-25	17	139-142	49	274-278	81
26-29	18	143-146	50	279-282	82
30-32	19	147-149	51	283-287	83
33-36	20	150-153	52	288-291	84
37-40	21	154-156	53	292-296	85
41-43	22	157-160	54	297-301	86
44-47	23	161-164	55	302-305	87
48-51	24	165-167	56	306-310	88
52-54	25	168-171	57	311-314	89
55-58	26	172-175	58	315-319	90
59-62	27	176-178	59	320-323	91
63-65	28	179-182	60	324-328	92
66-69	29	183-187	61	329-332	93
70-73	30	188-191	62	333-337	94
74-76	31	192-196	63	338-342	95
77-80	32	197-200	64	343-346	96
81-83	33	201-205	65	347-351	97
84-87	34	206-209	66	352-355	98
88-91	35	210-214	67	356-360	99
92-94	36	215-218	68	361-365	100

- C. **Combination policies.** If insurance under two or more liability manuals is written in a single policy, the amount to be retained by the company shall be not

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less than the sum of the amounts provided in each such manual.

IX. ADDITIONAL INTERESTS

- A. **No Additional Charge.** The interests listed below may be included without additional premium charge.

1. **Financial Control.** On policies covering an individual or partnership, association or corporation, a corporation holding title to real property used by the individual or partnership, association or corporation and which, in addition, may hold title facilities used by the individual or partnership, association or corporation and may perform administrative functions for the individual or partnership, association or corporation, if financially controlled by the individual, partnership, association or corporation or the partners, members or stockholders thereof.

2. **Professional Corporations.** Professional Corporations consisting of a single physician, surgeon or dentist regardless of the number of professional employees.

Use Standard Endorsement ISO-G1.

- B. **Additional Charge.** All other additional interests shall be submitted for rating.

X. UNDERWRITING PROCEDURE

- A. **Coverage Options.** Policies may be written to include individual coverage or partnership, association or corporation coverage or both.

- B. **Partnership Liability.**

- When both partnership, association or corporation coverage and individual coverage are provided, the premium to be charged shall be the sum of:
 - The appropriate per person rate for each partner, member or stockholder insured for individual coverage;
 - The appropriate rate for each employee of any partner, member or stockholder insured for individual coverage; or of the partnership, association or corporation, of the type for which additional charge is specified under the classifications;
 - The partnership, association or corporation liability rate for each partner, member or stockholder.

Exception—Professional corporations which consist of a single physician, surgeon or dentist regardless of the number of professional employees shall be included as additional interests at no additional charge.

Use Standard Endorsement ISO-G1.

Example: A partnership consists of two physicians, one of whom does X-ray therapy work, one surgeon and one dentist, all of whom are to be insured for individual and partnership coverages. The partnership employs one radium technician and one physician who does X-ray therapy work. The surgeon employs one physician. Premium is developed as follows:

Individual Members of Partnership			
One physician		\$60.00	
One physician	\$60.00		
X-ray therapy	90.00	150.00	
One surgeon		105.00	
One dentist		20.00	
			\$335.00
Partnership Liability Coverage			
(20% of above rates for individual partners)			
One physician		12.00	
One physician	12.00		
X-ray therapy	18.00	30.00	
One surgeon		21.00	
One dentist		4.00	

67.00

GENERAL RULES

Employees (of individuals or partnerships)

One physician	15.00	
One physician	15.00	
X-ray therapy	22.50	37.50
One radium technician	5.00	
		rounded 58.00
		\$460.00

2. When only partnership coverage is provided, the premium to be charged shall be the sum of:
 - (i) The appropriate per person rate for each employee of the partnership of the type for which additional charge is specified under the classifications;
 - (ii) The partnership liability rate for each partner.

XI. CLASSIFICATION PROCEDURE

- A. For classification assignment purposes, the following phraseology is defined:
 1. The term "no surgery" applies to general practitioners and specialists who do not perform obstetrical procedures or surgery (other than incision of boils and superficial abscesses, or suturing of skin and superficial fascia), and who do not ordinarily assist in surgical procedures.
 2. The term "minor surgery" applies to general practitioners and specialists who perform minor surgery (including obstetrical procedures not constituting major surgery) or assist in major surgery on their own patients.
 3. The term "major surgery" applies to general practitioners and specialists who perform major surgery or assist in major surgery on other than their own patients. Tonsillectomies, adenoidectomies, and caesarean sections shall be considered major surgery.
- B. When two or more classifications are applicable to a general practitioner or specialist, the rate for the highest rated classification shall apply.
- C. Any general practitioner or specialist who would normally be assigned to a classification having a code number followed by an asterisk (*) shall be classified and rated as "Physicians—no major surgery", code 80534 for medical doctors or code 84534 for osteopathic doctors, if such general practitioner or specialist performs any of the following medical techniques or procedures:
 - a. Acupuncture—other than acupuncture anesthesia
 - b. Angiography
 - c. Arteriography
 - d. Catheterization—arterial, cardiac or diagnostic—other than (1) the occasional emergency insertion of pulmonary wedge pressure recording catheters or temporary pacemakers, (2) urethral catheterization or (3) umbilical cord catheterization for diagnostic purposes or for monitoring blood gases in newborns receiving oxygen
 - e. Cryosurgery—other than use on benign or premalignant dermatological lesions
 - f. Discograms
 - g. Lasers—used in therapy
 - h. Lymphangiography
 - i. Spleenography
 - j. Phlebography
 - k. Pneumoencephalography
 - l. Radiation therapy
 - m. Shock therapy

As respects Radiation—therapeutic, coverage is included for X-ray laboratories.

Use Standard Endorsement NB-G7.

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- D. Any general practitioner or specialist who would normally be assigned to a classification having a code number followed by a cross-hatch (#) shall be classified and rated as "Physicians—no major surgery", code 80533 for medical doctors or code 84533 for osteopathic doctors, if such general practitioner or specialist performs any of the following medical techniques or procedures:
 - a. Colonoscopy
 - b. Endoscopic Retrograde Cholangiopancreatography
 - c. Laparoscopy (Peritoneoscopy)
 - d. Needle Biopsy—including lung and prostate but not including liver, kidney or bone marrow biopsy
 - e. Pneumatic or mechanical esophageal dilatation (not with bougie or olive)
 - f. Radiopaque Dye Injections into blood vessels, lymphatics, sinus tracts or fistulae (not applicable to Radiologists, Codes 80280* and 84280*)
- E. Physicians or Surgeons in Active United States Military Service. The classification section in this manual does not apply to physicians or surgeons in active United States Military Service. See exception to classification section.
- F. Physicians or Surgeons employed full time by the Federal Government not in active United States Military Service. The classification section in this manual does not apply to physicians or surgeons employed full time by the Federal Government (not military service). The rate for such physicians or surgeons shall be 75% of the rate applicable if they were not employed by the Federal Government. This rule also applies to the additional charges for X-ray and shock therapy. For statistical purposes, use code 80178 for medical doctors and code 84178 for osteopathic doctors.
- G. The classification section in this manual does not apply to physicians or surgeons who are retired or who practice on a limited basis. If coverage is desired, submit for rating. For statistical purposes, use code 80179 for medical doctors and code 84179 for osteopathic doctors.
- H. Classification Exclusion—The classifications in this manual do not apply to the operation of regular bed and board facilities. Such risks should be rated in accordance with the Hospital Professional Liability Manual.
- I. For classification assignment purposes, physicians and surgeons that teach on a full-time basis are to be classified in accordance with the Teaching Physicians and Surgeons classifications in this manual.

DENTISTS CLASSIFICATIONS

	Code No.
Dentists .....per person	80210
This classification applies to any dentist engaged in oral surgery or operative dentistry on patients rendered unconscious through the administering of any anesthesia or analgesia.	
Dentists .....per person	80211
This is an N.O.C. classification.	
Additional Charges:	
Corporate Liability (See General Rule X)	80999
†Employed Dentists .....per person	80212
This classification applies to any dentist engaged in oral surgery or operative dentistry on patients rendered unconscious through the administering of any anesthesia or analgesia.	

†See note on page 7.

CLASSIFICATIONS

DENTISTS CLASSIFICATIONS	Code No.
Employed Dentists .....per person 80213 This is an N.O.C. classification.	
Partnership Liability (See General Rule X) 80999	
†X-ray Therapy—by employed dentists .....per person 80214 This additional charge applies to each employed dentist doing X-ray therapy work.	
†See note on page 7.	
X-ray Therapy—by insured dentists .....per person 80215 This additional charge applies to each insured dentist doing X-ray therapy work.	
This classification applies to each insured dentist. For dentists while in the active military service of the United States, the following classifications apply:	
Dentists .....per person 80216 Additional Charges:	
X-ray Therapy .....per person 80217	
For dentists employed full time by the Federal Government, but not in Active Military Service of the United States, the following classifications apply:	
Dentists .....per person 80225 This classification applies to any dentist engaged in oral surgery or operative dentistry on patients rendered unconscious through the administering of any anesthesia or analgesia.	
Dentists .....per person 80223 This is an N.O.C. classification. Additional Charges:	
X-ray Therapy .....per person 80221	

footnotes under each classification should be observed in determining the application of the classification.

PHYSICIANS AND SURGEONS CLASSIFICATIONS††

	M.D. Code No.	D.O. Code No.
Refer to separate classification section for physicians and surgeons in active United States Military Service.		
Aerospace Medicine 80230*# —		
Allergy 80254*# 84254*#		
Anesthesiology 80151 84151 This classification applies to all general practitioners or specialists who perform general anesthesia or acupuncture anesthesia.		
Broncho-Esophagology 80101 —		
Cardiovascular Disease—minor surgery 80281* 84281*		
Cardiovascular Disease—no surgery 80255*# 84255*#		
Dermatology—minor surgery 80282* 84282*		
Dermatology—no surgery 80256*# 84256*#		
Diabetes—minor surgery 80271* —		
Diabetes—no surgery 80237*# —		
Emergency Medicine—including major surgery 80157 84157 This classification applies to any general practitioner or specialist primarily engaged in emergency practice at a clinic, hospital or rescue facility who performs major surgery.		

† additional charges section following the classifications.

	M.D. Code No.	D.O. Code No.
Emergency Medicine—no major surgery 80102 84102 This classification applies to any general practitioner or specialist primarily engaged in emergency practice at a clinic, hospital or rescue facility who does not perform major surgery.		
Endocrinology—minor surgery 80272* 84272*		
Endocrinology—no surgery 80238*# 84238*#		
Family Practice—minor surgery 80273* —		
Family Practice—no surgery 80239*# —		
Forensic Medicine 80240*# 84240*#		
Gastroenterology—minor surgery 80274* 84274*		
Gastroenterology—no surgery 80241*# 84241*#		
General Practice—minor surgery 80275* 84275*		
General Practice—no surgery 80242*# 84242*#		
General Preventive Medicine—no surgery 80231*# —		
Geriatrics—minor surgery 80276* 84276*		
Geriatrics—no surgery 80243*# 84243*#		
Gynecology—minor surgery 80277* 84277*		
Gynecology—no surgery 80244*# 84244*#		
Hematology—minor surgery 80278* 84278*		
Hematology—no surgery 80245*# 84245*#		
Hypnosis 80232*# —		
Infectious Diseases—minor surgery 80279* —		
Infectious Diseases—no surgery 80246*# —		
Intensive Care Medicine 80283 84283 This classification applies to any general practitioner or specialist employed in an intensive care hospital unit.		
Internal Medicine—minor surgery 80284* 84284*		
Internal Medicine—no surgery 80257*# 84257*#		
Laryngology—minor surgery 80285* —		
Laryngology—no surgery 80258*# —		
Legal Medicine 80240*# —		
Manipulator — 84801*		
Neoplastic Diseases—minor surgery 80286* —		
Neoplastic Diseases—no surgery 80259*# —		
Nephrology—minor surgery 80287* —		
Nephrology—no surgery 80260*# —		
Neurology—including child—minor surgery 80288* 84288*		
Neurology—including child—no surgery 80261*# 84261*#		
Nuclear Medicine 80262*# 84262*#		
Nutrition 80248*# —		
Occupational Medicine 80233*# 84233*#		
Ophthalmology—minor surgery 80289* 84289*		
Ophthalmology—no surgery 80263*# 84263*#		
Otology—minor surgery 80290* —		
Otology—no surgery 80264*# —		
Otorhinolaryngology—minor surgery 80291* 84291*		
Otorhinolaryngology—no surgery 80265*# 84265*#		
Pathology—minor surgery 80292* 84292* Coverage is included for pathological laboratories. Use Standard Endorsement NB-G7.		
Pathology—no surgery 80266*# 84266*# Coverage is included for pathological laboratories. Use Standard Endorsement NB-G7.		

CLASSIFICATIONS

	M.D. Code No.	D.O. Code No.
Pediatrics—minor surgery	80293*	84293*
Pediatrics—no surgery	80267*#	84267*#
Pharmacology—clinical	80234*#	—
Physiatry	80235*#	—
Physical Medicine and Rehabilitation	80235*#	84235*#
Physicians—minor surgery	80294*	—
This is an N.O.C. classification.		
Physicians—no major surgery	80534	84534
This classification applies to all general practitioners or specialists except those performing major surgery, anesthesiology or acupuncture anesthesiology, who perform any of the following medical techniques or procedures:		
Acupuncture—other than acupuncture anesthesia		
Angiography		
Arteriography		
Catheterization—arterial, cardiac or diagnostic—other than (1) the occasional emergency insertion of pulmonary wedge pressure recording catheters or temporary pacemakers, (2) urethral catheterization or (3) umbilical cord catheterization for diagnostic purposes or for monitoring blood gases in newborns receiving oxygen		
Cryosurgery—other than use on benign or pre-malignant dermatological lesions		
Discograms		
Lasers—used in therapy		
Lymphangiography		
Myelography		
Phlebography		
Pneumoencephalography		
Radiation therapy		
Shock Therapy		
As respects Radiation—therapeutic, coverage is included for X-ray laboratories. Use Standard Endorsement NB-G7.		
Physicians—no major surgery	80533	84533
This classification applies to all general practitioners or specialists except those performing major surgery, anesthesiology or acupuncture anesthesiology, who perform any of the following medical techniques or procedures:		
Colonoscopy		
Endoscopic Retrograde Cholangiopancreatography		
Laparoscopy (Peritoneoscopy)		
★ Needle Biopsy including lung and prostate, but not including liver, kidney or bone marrow biopsy		
Pneumatic or mechanical esophageal dilatation (not bougie or olive)		
Radiopaque Dye Injections into blood vessels, lymphatics, sinus tracts and fistulae. (Not applicable to Radiologists, codes 80280* and 84280*)		
Physicians—no surgery	80268*#	84268*#
This is an N.O.C. classification.		
Physicians or Surgeons Assistants	80116*#	84116*#
This classification applies to physicians or surgeons assistants who have completed an approved course of study leading to university certification and who perform their duties under the direct supervision of a licensed physician or surgeon, assisting in the clinical and/or research endeavors of the physician or surgeon.		

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	M.D. Code No.	D.O. Code No.
Psychiatry—including child	80249*#	84249*#
Psychoanalysis	80250*#	—
Psychosomatic Medicine	80251*#	84251*#
Public Health	80236*#	—
Pulmonary Diseases—no surgery	80269*#	84269*#
Radiology—diagnostic—minor surgery—including radiopaque dye injections into blood vessels, lymphatics, sinus tracts or fistulae		
Coverage is included for X-ray laboratories. Use Standard Endorsement NB-G7.		
Radiology—diagnostic—no surgery	80253*#	84253*#
Coverage is included for X-ray laboratories. Use Standard Endorsement NB-G7.		
Rheumatology—no surgery	80252*#	84252*#
Rhinology—minor surgery	80270*	—
Rhinology—no surgery	80247*#	—
Sclerotherapy	—	84802*
Surgery—abdominal	80166	—
Surgery—cardiac	80141	—
Surgery—cardiovascular disease	80150	84150
Surgery—colon and rectal	80115	—
Surgery—endocrinology	80103	—
Surgery—gastroenterology	80104	—
Surgery—general	80143	84143
This is an N.O.C. classification.		
This classification does not apply to any general practitioner or specialist who occasionally performs major surgery.		
Surgery—general practice or family practice—not primarily engaged in major surgery		
Surgery—geriatrics		
Surgery—gynecology		
Surgery—hand		
Surgery—head and neck		
Surgery—laryngology		
Surgery—neoplastic		
Surgery—nephrology		
Surgery—neurology—including child		
Surgery—obstetrics		
Surgery—obstetrics—gynecology		
Surgery—ophthalmology		
Surgery—orthopedic		
Surgery—otology		
This classification does not apply to general practitioners or specialists performing plastic surgery.		
Surgery—otorhinolaryngology		
This classification does not apply to general practitioners or specialists performing plastic surgery.		
Surgery—plastic		
This is an N.O.C. classification.		
Surgery—plastic—otorhinolaryngology		
Surgery—rhinology		
Surgery—thoracic		
Surgery—traumatic		

	<u>M.D. Code No.</u>	<u>D.O. Code No.</u>
Surgery—urological	80145	84145
Surgery—vascular	80146	—
The following classifications and additional charges apply for physicians and surgeons in active United States Military Service:		
Physicians—no surgery	80131	84131
Physicians—no major surgery	80172	84172
This classification applies to those physicians who would normally be assigned to code 80534 or 84534.		
The additional charges for radiation or shock therapy do not apply to this classification.		
Physicians—minor surgery	80132	84132
Physicians or Surgeons—major surgery ..	80172	84172
This classification applies to those specialists who would normally be assigned to one of the following M.D. codes or the corresponding D.O. code, where applicable:		
80101 80104 80108 80102 80105 80114 80117 80103 80107 80115		
Physicians or Surgeons—major surgery ..	80173	84173
The classification applies to those specialists who would normally be assigned to the following codes:		
80145 84145		
Physicians or Surgeons—major surgery ..	80174	84174
This classification applies to those specialists who would normally be assigned to one of the following M.D. codes or the corresponding D.O. code, where applicable:		
80106 80151 80158 80141 80155 80159 80166 80143 80157 80160		
Physicians or Surgeons—major surgery ..	80175	84175
This classification applies to those specialists who would normally be assigned to one of the following M.D. codes or the corresponding D.O. code, where applicable:		
80153 80167 80169 80156 80168 80170		
Physicians or Surgeons—major surgery ..	80176	84176
This classification applies to those specialists who would normally be assigned to one of the following M.D. codes or the corresponding D.O. code, where applicable:		
80144 80150 80154 80146 80152 80171		
Additional Charges:		
Radiation Therapy	80136	84136
Shock Therapy	80137	84137
★ Teaching Physicians—no surgery	80321	—
This classification applies to those physicians who would normally be assigned to codes 80230 through 80269, inclusive.		

	<u>M.D. Code No.</u>	<u>D.O. Code No.</u>
Teaching Physicians—minor surgery	80322	— ★
This classification applies to those physicians who would normally be assigned to codes 80270 through 80294, inclusive, and code 80533.		
Teaching Physicians or Surgeons—major surgery	80323	— ★
This classification applies to those specialists who would normally be assigned to one of the following codes:		
80101 80104 80108 80117 80102 80105 80114 80534 80103 80107 80115		
Teaching Physicians or Surgeons—major surgery	80324	— ★
This classification applies to those specialists who would normally be assigned to code 80145.		
Teaching Physicians or Surgeons—major surgery	80325	— ★
This classification applies to those specialists who would normally be assigned to one of the following codes:		
80106 80151 80158 80141 80155 80159 80166 80143 80157 80160		
Teaching Physicians or Surgeons—major surgery	80326	— ★
This classification applies to those specialists who would normally be assigned to one of the following codes:		
80153 80167 80169 80156 80168 80170		
Teaching Physicians or Surgeons—major surgery	80327	— ★
This classification applies to those specialists who would normally be assigned to one of the following codes:		
80144 80150 80154 80146 80152 80171		

Use Standard Endorsement G341.

ADDITIONAL CHARGES

The following additional charges apply for all the foregoing classifications, except classifications applicable to Physicians and Surgeons in Active United States Military Service or to those employed full time by the Federal Government:

Corporate Liability (See General Rule X)	80999	84999
†Employed Physicians or Surgeons Assistants	80129	84129
†Employed Physicians or Surgeons	80177	84177
The rate shall be 25% of the rate applicable for the self-employed physician or surgeon.		
†Employed Technicians—radium, including diagnostic X-ray laboratory or pathological	80148	84148
†Employed Technicians—radiation therapy	80149	84149
Partnership Liability (See General Rule X)	80999	84999
†See note on page 7		

CLASSIFICATIONS

	M.D. Code No.	D.O. Code No.
†Shock Therapy—by employed physicians or surgeons involved with major surgery This additional charge applies to each employed physician or surgeon doing shock therapy work.	80161	84161
Shock Therapy—by insured physicians or surgeons involved with major surgery This additional charge applies to each insured physician or surgeon doing shock therapy work.	80162	84162
†Radiation Therapy—by employed physicians or surgeons involved with major surgery This additional charge applies to each employed physician or surgeon doing X-ray therapy work.	80163	84163

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	M.D. Code No.	D.O. Code No.
Radiation Therapy—by insured physicians or surgeons involved with major surgery This additional charge applies to each insured physician or surgeon doing X-ray therapy work.	80165	84165
†This rate applies not only to employees of individual insureds but also to employees of partnerships, corporations or professional associations practicing medicine. It applies per employee regardless of the number of partners. It applies also to such personnel in pathological or X-ray laboratories operated or supervised by the insured in hospitals, whether or not employees of the insured.		

GLOSSARY

MEDICAL AND SURGICAL SPECIALTIES

Aerospace Medicine

The branch of medicine which deals with the physiological, medical, psychological, and epidemiological (i.e. disease-related) problems in present day air and space travel.

Allergy

A condition in which an individual is sensitive to a substance (or temperature) that does not affect most other people—such as pollen, dust or food.

Anesthesiology

The branch of medicine specializing in anesthesia—the abolition of sensation or the rendering unconscious by artificial means.

Broncho-Esophagology

The branch of medicine which deals with the bronchial tree (body tubes which carry air) and the esophagus (muscular tubular organ which carries food from mouth to stomach).

Cardiovascular Disease

Any diseases that are pertaining to the heart and blood vessels.

Dermatology

The branch of medicine that deals with diagnosis and treatment of diseases of the skin.

Diabetes

That branch of medicine that deals with a disease associated with deficient insulin secretion.

Endocrinology

The branch of medicine that deals with the endocrine (ductless) glands (e.g. thyroid) and the various internal secretions.

Forensic Medicine
(See Legal Medicine)**Gastroenterology**

The branch of medicine that deals with the anatomy, physiology and pathology of the stomach and intestines.

General Preventive Medicine

The branch of medicine which aims at the prevention of disease.

Geriatrics

The branch of medicine that deals with the structural changes, physiology, diseases, and hygiene of old age.

Gynecology

The branch of medicine that deals with the functions and diseases peculiar to women.

Hematology

The branch of medicine that deals with the blood and its diseases.

Hypnosis

A trance-like condition that can be artificially induced, characterized by an altered consciousness, diminished will power, and an increased responsiveness to suggestion.

Infectious Diseases

Any diseases that are due to the growth and action of microorganisms or parasites in the body, and that may or may not be contagious.

Internal Medicine

The branch of medicine that is concerned with diseases of the internal organs.

Laryngology

The branch of medicine that deals with the larynx (throat part, vocal cords), its functions and its pathology.

Legal Medicine

The application of medical principles in law (also called Forensic Medicine).

Manipulation ★

Skillful handling in the adjustment of an abnormality or the bringing about a desirable condition, as the changing of the position of the fetus, the alignment of the fragments of a broken bone, the replacement of a protruding organ (in hernia), etc.

Neoplastic Diseases

Any diseases that are concerned with any new and abnormal growth, such as a tumor.

Nephrology

The branch of medicine that deals with the kidney and its diseases.

Neurology

The branch of medicine that deals with the nervous system and its disorders.

Nuclear Medicine

The branch of medicine that deals with diagnostic, therapeutic and investigative use of radioactive materials.

Nutrition

The branch of medicine that deals with the act or process of nourishing or taking nourishment, especially the processes by which food is assimilated.

Obstetrics

The branch of medicine that deals with pregnancy and childbirth.

Occupational Medicine

The branch of medicine that deals with treatment of work related illnesses and injuries.

Ophthalmology

The branch of medicine that deals with the structure, functions, and diseases of the eye.

Otology

The branch of medicine that deals with the ear and its diseases.

Otorhinolaryngology

The branch of medicine that treats the ear, nose and throat.

Pathology

The branch of medicine that deals with the origin, nature, causes, and development of diseases.

Pediatrics

The branch of medicine that deals with the diseases and hygienic care of children.

Pharmacology, Clinical

The branch of medicine concerned with the nature, preparation, administration, and effects of drugs.

Physiatry

The practice of Physical Medicine.

Physical Medicine

A consultative, diagnostic, and therapeutic medical specialty coordinating and integrating the use of physical therapy (use of light, heat, cold, water, electricity, and exercises) occupational therapy and physical reconditioning in the Professional Management of the diseased and injured.

**PHYSICIANS, SURGEONS AND DENTISTS PROFESSIONAL
MEDICAL AND SURGICAL SPECIALTIES (Continued)**

Psychiatry

The branch of medicine that deals with the diagnosis, treatment, and prevention of mental disorders.

Psychoanalysis

A system used in the treatment of nervous and mental disorders.

Psychosomatic Medicine

The branch of medicine that investigates the reciprocal influences of body and mind in the cause, prevention, treatment, and cure of disease.

Public Health

The branch of medicine that deals with the protection and improvement of community health by organized Community effort and including Preventive Medicine and sanitary and Social Science.

Pulmonary Diseases

Any diseases that are affecting the lungs.

Radiology

The branch of medicine that relates to radiant energy and its application, especially in the diagnosis and treatment of disease.

Rheumatology

The branch of medicine that treats rheumatism, a disease marked by inflammation of the connective tissue structures of the body, especially the muscles and joints.

Rhinology

The branch of medicine that relates to the nose and its diseases.

Roentgenology
(See Radiology)

★ **Sclerosant**

A medicinal substance which induces inflammation in a tissue and a subsequent hardening or shrinkage. It is often used, by injection, in the treatment of varicose veins.

• **Sclerotherapy**

The use of a chemical irritant (a sclerosant) to produce a hardening of a structure, as by injecting it into a varicose vein. See under sclerosant.

Surgery, Cardiovascular

Surgery pertaining to the heart and blood vessels.

Surgery, Neurological

Surgery pertaining to the nervous system.

Surgery, Orthopedic

The branch of surgery concerned with the preservation and restoration of the function of the skeletal system.

Surgery, Plastic

Surgery concerned with the restoration or reconstruction of body structure that are defective or damaged by injury or disease.

Surgery, Thoracic

Surgery pertaining to the chest.

Surgery, Traumatic

Surgery pertaining to trauma—a wound or injury.

Surgery, Urological

Surgery pertaining to the urinary tract of both male and female, and with the genital organs of the male.

Surgery, Vascular

Surgery of the blood vessels within the limbs of the body, or the trunk, neck, abdomen or head.

MEDICAL AND SURGICAL PROCEDURES

Acupuncture

Puncture of an organ or tissue with multiple needle points for relief of pain.

Angiography

The injection of radiopaque dye into a blood vessel (artery or vein), with or without catheterization, for the purpose of radiologic study of the vessel or its branches.

APPENDIX

Arteriography

X-ray studies of arterial circulation following injection of radiopaque material into the blood stream.

Catheterization, Cardiac

Passage of a small catheter (tubular instrument) into a vein in the arm and through the blood vessels into the heart, permitting the securing of blood samples, determination of intracardiac pressure, and detection of cardiac anomalies (irregularities).

Catheterization

The employment or passage of a catheter.

Cryosurgery

Surgery in which extreme cold chilling (as by use of liquid nitrogen) produces the desired dissection.

Discograms

A radiological film of an intervertebral disk.

Endoscopy

The inspection of cavities of the body by use of the endoscope.

Lasers

An operating assembly used to emit essentially monochromatic radiation which has been used as a surgical tool and in research. It is currently used for photo coagulation of the retina of the eye to treat retina detachment or tears and it has been used on certain tumors of the larynx and skin and has potential uses for controlling hemorrhages by sealing blood vessels.

Lymphangiography

Radiological visualization of lymphatic vessels (absorbent vessels which drain tissue fluid from various body tissues and return it to the blood) following injection of contrast medium.

Major Surgery

Includes operations in or upon any body cavity, including but not limited to the cranium, thorax, abdomen or pelvis; any other operation which, because of the condition of the patient or the length or circumstances of the operation presents a distinct hazard to life. It also includes: removal of tumors, bone fractures, amputations, the removal of any gland or organ and plastic surgery.

Minor Surgery

Any operation not major surgery.

Myelography

Radiological visualization of the spinal cord after injection of a contrast medium.

Needle Biopsy

A biopsy in which the tissue or fluid gathering procedure is accomplished through the use of a syringe.

Phlebography

Radiological visualization of veins following injection of a contrast medium.

Pneumoencephalography

X-ray studies of the head following injection of air or gas into the spinal canal following removal of some spinal fluid.

Radiation Therapy

The treatment of disease with any type of radiation, most commonly with ionizing radiation, including the use of roentgen rays, radium, or other radioactive substances.

Radiopaque

Not permitting the passage of radiant energy such as X-rays. Radiopaque substances, frequently called "contrast media" are introduced to parts of a patient's body to be studied by X-ray. X-rays will not penetrate the radiopaque substance which causes the part to be studied to show white on an exposed X-ray film.

Shock Therapy

The treatment of certain psychotic disorders by the injection of drugs, or by electrical shocks, both methods inducing coma, with or without convulsions.